NRN'S TOP 100

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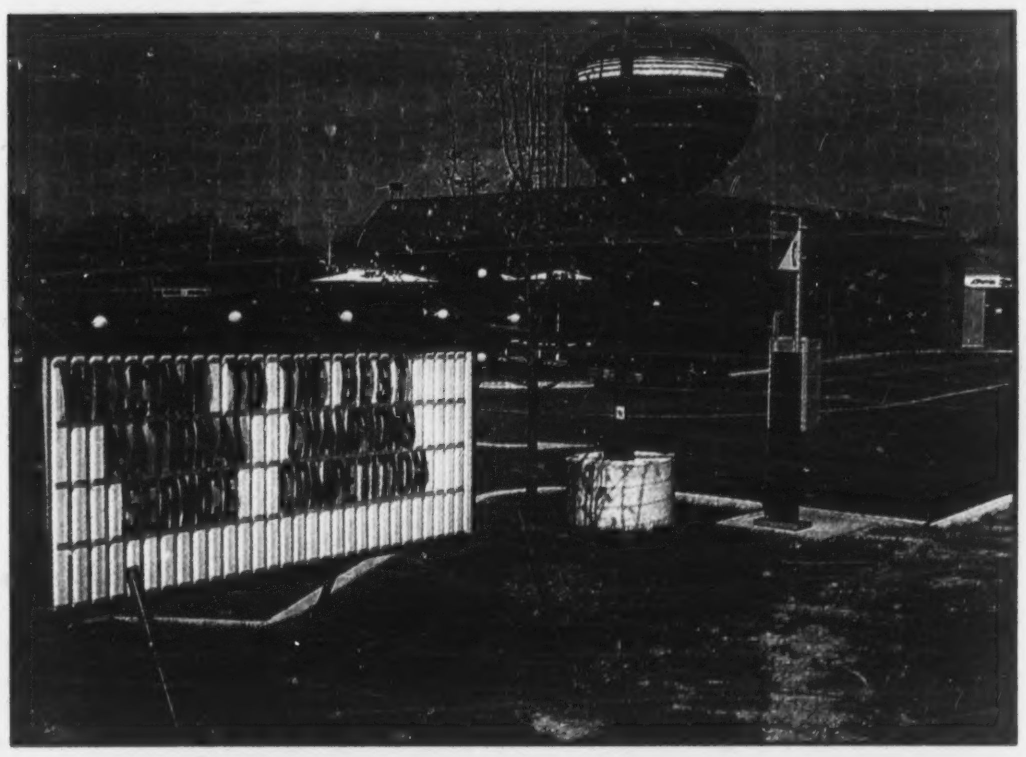


Fastino's
BY PIZZA HUT

Clockwise, from bottom left: No. 29 Sizzler's salad bar; service oriented Hardee's, No. 4; themed event catered by No. 8 Marriott Management Services; dinner-house competitor T.G.I. Friday's, No. 41; and No. 3 Pizza Hut's Fastino's concept.

WHAT'S INSIDE

Welcome to NRN's Top 100 44
Top 100 Q&A 66

THE RANKINGS:

CHAINS:

Alphabetic directory of Top 100 chains 48
Top 100 chains ranked by U.S. systemwide foodservice sales 40-41
Top 100 chains ranked by U.S. systemwide sales growth 53
Top 100 chains ranked by sales per unit 54
Top 100 chains ranked by growth in sales per unit 54
Top 100 chains ranked by current-year total number of U.S. units 58
Top 100 chains ranked by growth in total number of U.S. units 63
Top 100 chains ranked by growth in U.S. franchise units 66

COMPANIES:

Alphabetic directory of Top 100 companies 44
Top 100 companies ranked by U.S. foodservice revenue 42-43
Top 100 companies ranked by growth in U.S. foodservice revenues 53

SEGMENT ANALYSIS:

Dinner houses still ride expansion wave 71
Family chains battle outside competition 76
Pizza chains chart ambitious growth 84
Sandwich giants wage service war 90
Chicken chains fight tc rule the roost 98
B & I feeders test new waters for growth 106
Soft market plagues hotel foodservice 110
Steak chains strive to strengthen niche 115

TOP 100 CHAINS RANKED BY U.S. SYSTEMWIDE FOODSERVICE SALES

1992 Rank	1991 Rank	Chain	Concept	Parent Company	Fiscal Year Ends	U.S. Systemwide Foodservice Sales (By Fiscal Year, In Millions)		
						Current**	Last Full	Prior
1	1	McDonald's	Sandwich	McDonald's Corp.*	Dec. '92	$12,703.0	$12,519.0	$12,251.0
2	2	Burger King	Sandwich	Grand Metropolitan PLC*	Sept. '92	6,450.0	6,225.0	6,100.0
3	4	Pizza Hut[1]	Pizza	PepsiCo Inc.*	Dec. '92	4,450.0	4,150.0	3,900.0
4	3	Hardee's[2]	Sandwich	Imasco Ltd.	Dec. '92	3,800.0	4,200.0	4,101.0
5	5	KFC	Chicken	PepsiCo Inc.*	Dec. '92	3,600.0	3,400.0	3,200.0
6	7	Taco Bell	Sandwich	PepsiCo Inc.*	Dec. '92	3,100.0	2,700.0	2,400.0
7	6	Wendy's	Sandwich	Wendy's International Inc.*	Jan. '93	3,001.0	2,911.0	2,762.0
8	9	Marriott Management Services	Contract	Marriott Corp.*	Dec. '92	2,500.0	2,399.0	2,340.0
9	8	Domino's Pizza	Pizza	Domino's Pizza Inc.	Dec. '92	2,358.0	2,400.0	2,650.0
10	12	Little Caesars Pizza	Pizza	Little Caesar Enterprises Inc.	Dec. '92	2,160.0	1,725.0	1,400.0
11	10	Dairy Queen	Sandwich	International Dairy Queen Inc.*	Nov. '92	2,091.0	2,010.6	1,980.0
12	11	ARA Services/ARASERVE	Contract	ARA Services Inc.	Sept. '92	1,900.0	1,800.0	1,680.8
13	13	Red Lobster	Dinner House	General Mills Inc.*	May '93	1,683.6	1,537.0	1,400.0
14	17	Subway	Sandwich	Doctor's Associates Inc.	Dec. '92	1,650.0	1,300.0	1,050.0
15	14	Denny's	Family	TW Holdings Inc.*	Dec. '92	1,610.0	1,530.0	1,479.0
16	16	Arby's	Sandwich	DWG Corp.	Dec. '92	1,449.0	1,346.0	1,301.0
17	15	Canteen Corp.	Contract	TW Holdings Inc.*	Dec. '92	1,430.0	1,460.0	1,490.0
18	18	7-Eleven	C-store	Southland Corp.	Dec. '92	1,278.4	1,284.0	1,290.9
19	21	Shoney's	Family	Shoney's Inc.*	Oct. '92	1,260.0	1,100.0	991.3
20	19	Marriott Hotels & Resorts	Hotel	Marriott Corp.*	Dec. '92	1,240.0	1,194.0	1,146.0
21	20	Hilton Hotels	Hotel	Hilton Hotels Corp.*	Dec. '92	1,124.0	1,122.0	1,094.0
22	22	Big Boy	Family	Elias Bros. Restaurants Inc.	Dec. '92	1,117.7	1,022.1	1,023.5
23	25	Dunkin' Donuts	Snack	Allied-Lyons PLC	Feb. '93	1,071.1	925.2	912.3
24	23	Sheraton Hotels	Hotel	ITT Corp.*	Dec. '92	1,031.9	1,017.9	1,095.1
25	24	Jack in the Box	Sandwich	Foodmaker Inc.	Sept. '92	996.0	978.0	943.2
26	29	Olive Garden	Dinner House	General Mills Inc.*	May '93	995.1	807.0	613.0
27	26	Service America Corp.	Contract	Servam Inc.	Mar. '93	919.8	892.5	1,000.5
28	28	Long John Silver's	Fish	Long John Silver's Holdings Inc.	July '92	886.0	826.0	773.0
29	27	Sizzler	Steak	Sizzler Restaurants International Inc.*	April '93	860.0	850.0	840.0
30	31	Baskin-Robbins	Snack	Allied-Lyons PLC	Feb. '93	829.7	671.0	604.0
31	32	Host International	Contract	Marriott Corp.*	Dec. '92	770.0	667.0	642.0
32	30	Ponderosa	Steak	Metromedia Steakhouses Inc.	Feb. '93	747.5	767.3	729.7
33	—	Roy Rogers[3]	Sandwich	Imasco LTD.	Dec. '92	687.0	186.0	500.0
34	33	Morrison Custom Management[4]	Contract	Morrison Inc.*	June '93	680.0	618.0	556.0
35	38	Chili's Grill & Bar	Dinner House	Brinker International*	June '93	665.0	574.8	486.3
36	34	Carl's Jr.	Sandwich	Carl Karcher Enterprises Inc.*	Jan. '93	634.4	610.0	574.4
37	37	Holiday Inns	Hotel	Bass PLC	Oct. '92	620.2	579.6	573.9
38	35	Caterair International[5]	Contract	Caterair International Corp.	Dec. '92	615.0	609.0	641.0
39	36	Disney theme parks and hotels[6]	Theme park	Walt Disney Co.*	Sept. '92	601.0	603.0	574.9
40	41	Sonic Drive-In	Sandwich	Sonic Corp.	Aug. '92	600.0	519.0	454.5
41	42	T.G.I.Friday's	Dinner House	Carlson Cos.	Dec. '92	558.0	505.1	467.9
42	39	Popeyes Chicken	Chicken	Al Copeland Enterprises Inc.	Dec. '92	540.0	536.0	520.0
43	43	Perkins Restaurants	Family	Tennessee Restaurant Co.	Dec. '92	539.0	505.0	471.0
44	40	Friendly's Restaurants	Family	Tennessee Restaurant Co.	Dec. '92	534.7	529.9	525.8
45	46	Golden Corral	Steak	Investors Management Corp.	Dec. '92	493.0	454.7	438.6
46	54	Cracker Barrel Old Country Store	Family	Cracker Barrel Old Country Store Inc.*	July '93	489.5	398.0	300.2
47	44	Sky Chefs	Contract	Onex Corp.	Dec. '92	481.0	467.0	453.0
48	50	International House of Pancakes	Family	IHOP Corp.*	Dec. '92	473.7	413.6	385.1
49	45	Bennigan's	Dinner House	S&A Restaurant Corp.	June '93	468.4	463.8	459.2
50	48	Chi-Chi's	Dinner House	Foodmaker Inc.*	Sept. '92	434.9	438.7	428.6

*Publicly held company
**Projected
Source: NRN Research

EXPLANATION OF COLUMN HEADINGS

1992 Rank: The Top 100 chains are ranked in descending order on the basis of projected systemwide foodservice sales in the U.S. for the chains' respective current fiscal years.

1991 Rank: The same 100 chains are ranked on the basis of systemwide sales in their last full fiscal year, as revised from projections published in the 1991 Top 100 report. Chains not assigned a 1991 ranking did not generate sufficient sales in their last full fiscal year to rank among the Top 100 that year.

Chain: The name of the restaurants, hotels, contract foodservice operations, retail stores or other entities in a chain, as identified by its signs and logotypes.

Concept: The type of restaurant or foodservice operations run by the chain, as defined generically by the type of food served or other retail context.

Parent company: The business entity that owns a chain's trademarks and copyrights, and which ultimately profits from franchising or licensing of its concept. The term is often synonymous with franchisor.

Fiscal year ends: The ending date of the year represented in the "current" year column.

U.S. Systemwide Foodservice Sales: Domestic foodservice sales at all restaurants, hotels, stores, contract locations or other outlets in a chain, including company-owned and franchised units. Manufacturing, distribution, merchandise, room revenues and other nonfood sources of income are excluded.

"Current," "Last Full" and **"Prior"** figures represent three consecutive years, beginning with the current year that ends on the date indicated in the corresponding "fiscal year ends" column.

TOP 100 CHAINS RANKED BY U.S. SYSTEMWIDE FOODSERVICE SALES

1992 Rank	1991 Rank	Chain	Concept	Parent Company	Fiscal Year Ends	U.S. Systemwide Foodservice Sales (By Fiscal Year, In Millions)		
						Current**	Last Full	Prior
51	60	Ryan's Family Steak House	Steak	Ryan's Family Steak Houses Inc.*	Dec. '92	431.0	355.0	331.0
52	47	Church's Fried Chicken	Chicken	Al Copeland Enterprises Inc.	Dec. '92	430.0	439.0	461.0
53	49	Captain D's	Seafood	Shoney's Inc.*	Oct. '92	425.0	418.8	413.5
54	53	Radisson Hotels	Hotel	Carlson Cos.	Dec. '92	420.0	400.0	350.0
55	58	Bob Evans Farms	Family	Bob Evans Farms Inc.*	April '93	416.4	361.1	324.9
56	52	Seiler Corp.	Contract	Sodexho	Aug. '92	411.6	403.5	390.0
57	51	Hyatt Hotels	Hotel	Hyatt Hotels Corp.	Jan. '93	408.0	407.0	381.9
58	55	ARA Leisure Services	Contract	ARA Services Inc.	Sept. '92	396.8	396.0	380.0
59	57	Ramada Inn	Hotel	Hospitality Franchise System	Dec. '92	392.0	380.0	335.1
60	72	Applebee's Neighborhood Grill & Bar	Dinner House	Applebee's International Inc.*	Dec. '92	374.3	289.6	228.2
61	56	Western Sizzlin'	Steak	Intermark/Triton Group	Dec. '92	356.9	381.9	416.3
62	62	K mart[7]	In-store	K mart Corp.*	Jan. '93	353.0	326.0	325.0
63	63	Chick-fil-A	Chicken	Chick-fil-A Inc.	Dec. '92	350.0	324.6	293.7
64	66	Dobbs International	Contract	Dial Corp.*	Dec. '92	346.1	317.5	301.0
65	70	Show Biz/Chuck E. Cheese's[8]	Pizza	ShowBiz Pizza Time Inc.*	Jan. '93	343.5	302.4	281.5
66	61	Luby's Cafeteria	Cafeteria	Luby's Cafeterias Inc.*	Aug. '92	335.0	328.2	311.3
67	68	Westin Hotels	Hotel	Aoki Corp.	Dec. '92	331.0	307.0	288.5
68	65	Whataburger	Sandwich	Whataburger Inc.	Sept. '93	329.5	318.4	309.6
69	67	Round Table Pizza	Pizza	Round Table Franchise Corp.	June '93	315.0	315.0	311.0
70	71	White Castle	Sandwich	White Castle System Inc.	Dec. '92	306.0	300.0	297.0
71	59	Bonanza	Steak	Metromedia Steakhouses Inc.	Feb. '93	302.4	356.3	401.4
72	69	Morrison's	Cafeteria	Morrison Inc.*	June '93	301.0	304.7	311.3
73	76	Sbarro, The Italian Eatery	Pizza	Sbarro Inc.*	Jan. '93	300.6	273.3	249.8
74	73	Ground Round	Dinner House	Ground Round Restaurants Inc.*	Sept. '92	300.0	286.8	283.9
75	74	Quincy's	Steak	TW Holdings Inc.*	Dec. '92	290.0	283.3	281.5
76	64	TCBY	Snack	TCBY Enterprises Inc.*	Nov. '92	286.3	320.9	343.7
77	75	Bakers Square	Family	Vicorp Restaurants Inc.*	Oct. '92	285.0	278.5	249.0
78	78	ServiceMaster Food Management Services	Contract	ServiceMaster L.P.	Dec. '92	277.1	269.0	239.0
79	77	Piccadilly	Cafeteria	Piccadilly Cafeterias Inc.*	June '93	275.0	273.0	273.6
80	89	Rally's	Sandwich	Rally's Inc.*	Dec. '92	256.6	221.1	185.6
81	79	Ogden Allied Entertainment Services	Contract	Ogden Corp.*	Dec. '92	255.0	250.0	244.5
82	88	The Wood Co.	Contract	The Albert Abela Corp.	Dec. '92	251.0	224.0	198.0
83	81	Village Inn	Family	Vicorp Restaurants Inc.*	Oct. '92	249.0	240.9	240.5
84	85	Godfather's Pizza	Pizza	Godfather's Pizza Inc.	May '93	242.0	228.0	226.0
85	97	Ruby Tuesday	Dinner House	Morrison Inc.*	June '92	241.1	201.4	158.4
86	82	Marie Callender's	Family	Wilshire Restaurant Group	Dec. '92	239.0	236.0	246.0
87	86	Del Taco	Sandwich	Del Taco Inc.	Dec. '92	238.0	224.0	205.0
88	80	El Torito	Dinner House	Restaurant Enterprises Group Inc.	Dec. '92	232.7	241.1	258.4
89	87	Furr's Cafeterias	Cafeteria	Furr's/Bishop's Inc.*	Jan. '93	230.0	225.0	230.0
90	94	Restaura Inc.	Contract	Dial Corp.*	Dec. '92	226.0	213.0	230.0
91	93	Waffle House	Family	Waffle House Inc.	June '93	225.7	217.0	195.0
92	90	Stuart Anderson's Black Angus	Dinner House	American Restaurant Group	Dec. '92	223.4	220.6	221.4
93	92	Steak and Ale	Dinner House	S&A Restaurant Corp.	June '93	221.9	219.0	216.8
94	95	Krystal	Sandwich	Krystal Co.*	Dec. '92	220.0	211.0	204.0
95	96	Tony Roma's — A Place for Ribs	Dinner House	Roma Holdings Inc.	Feb. '93	210.5	206.8	198.3
96	91	Six Flags amusement parks	Theme park	Time Warner Inc.*	Dec. '92	210.0	220.0	201.0
97	—	Gardner Merchant Food Services	Contract	Forte PLC	Feb. '93	206.0	182.0	176.0
98	84	Dobbs Houses[9]	Contract	Dial Corp.*	Dec. '92	200.0	231.0	220.0
99	99	Daka Inc.	Snack	Daka International Inc.	June '93	195.0	195.0	197.0
100	—	Pizza Inn	Pizza	Pizza Inn Inc.	June '93	192.9	155.2	151.5
		TOTAL:				$96,031.8	$91,026.7	$87,760.7

*Publicly held company
**Projected
Source: NRN Research

FOOTNOTES

[1] Pizza Hut's projected current-year sales growth — and unit count and growth on separate tables — reflect the franchisor's April acquisition of 221-unit Pizza Management Inc., the Pizza Hut franchisee that ranked as the No. 85 company in last year's Top 100 report.

[2] Projected current-year decline in Hardee's sales — and in unit count and growth on separate tables — reflect strategic reconversions to its sister brand, Roy Rogers, after that chain's large-scale conversion to Hardee's last year. Pre-existing Hardee's units in the Northeast were also converted to the Roy Rogers brand.

[3] Roy Rogers, which did not rank in the Top 100 last year because of the chain's large-scale conversion to its sister Hardee's brand, re-entered the Top 100 statistical universe in 1992 because of the strategic reconversion of those units to their original identity. Pre-existing Hardee's units in the Northeast were also converted to the Roy Rogers brand. Projected current-year sales — and growth rates for sales and units on separate tables — reflect results of those changes.

[4] Recently renamed Morrison Hospitality Group.

[5] Formerly called Marriott In-Flite, a name being phased out by Caterair International Corp. under terms of its 1989 acquisition of the former Marriott Corp. division. Caterair's name conversion began in May 1992 and is expected to conclude by December 1993.

[6] Disney Co. data, including average sales-per-unit figures, reflect results of four theme parks and nine resort hotels, treated as a total of 13 units.

[7] Projected current-year growth in sales per unit — on separate table — reflects K mart's widespread installations of licenced Little Caesars Pizza counters. Number-of-unit figures, on separate table, indicate number of K marts with foodservice outlets.

[8] All Top 100 data for this chain are aggregate results of the ShowBiz and Chuck E. Cheese's systems, whose concepts and operating formats are identical.

[9] The sale of Dobbs Houses to Marriott Corp.'s Host International division was expected to close this summer.

TOP 100 COMPANIES RANKED BY U.S. FOODSERVICE REVENUE

1992 Rank	1991 Rank	Company	Chains	Fiscal Year Ends	U.S. Food & Beverage Revenue (By Fiscal Year, In Millions) Current**	Last Full	Prior
1	1	PepsiCo Inc.*	Pizza Hut, Taco Bell, Kentucky Fried Chicken, Hot'N Now	Dec. '92	$7,100.0	$6,258.4	$5,540.9
2	2	Marriott Corp.*	Marriott Hotels, Marriott Management Services, Host International	Dec. '92	4,510.0	4,561.0	4,762.2
3	3	McDonald's Corp.*	McDonald's	Dec. '92	3,969.0	3,709.0	3,851.2
4	4	TW Holdings Inc.*[1]	Denny's, Canteen Corp., Hardee's, Quincy's, El Pollo Loco	Dec. '92	3,625.0	3,618.0	3,627.0
5	5	General Mills Inc.*	Red Lobster, Olive Garden, China Coast	May '93	2,688.7	2,347.0	2,013.0
6	6	ARA Services Inc.	ARASERVE, ARA Leisure Services	Sept. '92	2,396.8	2,196.0	2,060.8
7	7	Imasco Ltd.	Hardee's, Roy Rogers	Dec. '92	1,366.0	1,830.0	1,846.0
8	8	Foodmaker Inc.*	Jack in the Box, Chi-Chi's	Sept. '92	1,301.0	1,217.0	1,119.0
9	10	Carlson Cos.	T.G.I.Friday's, Dalt's, Radisson Hotels, Country Kitchen	Dec. '92	1,252.1	1,092.7	1,022.6
10	9	Grand Metropolitan PLC*	Burger King	Sept. '92	1,162.0	1,140.0	1,043.0
11	12	Morrison Inc.*	Morrison's Cafeterias, Morrison's Custom Management, Ruby Tuesday	June '93	1,150.0	1,040.0	960.0
12	11	Wendy's International Inc.*	Wendy's Old Fashioned Hamburgers	Jan. '93	1,110.0	1,060.0	1,010.8
13	13	Servam Inc.	Service America Food Service	March '93	919.8	892.5	1,000.5
14	15	Shoney's Inc.*	Shoney's, Lee's Famous Recipe Chicken, Captain D's, Fifth Quarter	Oct. '92	855.9	815.6	775.6
15	14	Restaurant Enterprises Group Inc.[2]	El Torito, Coco's, Carrows, Casa Gallardo, Reuben's, Charley Brown's	Dec. '92	831.3	865.9	902.7
16	20	Little Caesars Enterprises Inc.	Little Caesars Pizza	Dec. '92	820.8	655.6	466.9
17	16	Dial Corp.*[3]	Dobbs International/Dobbs Houses, Restaura Dining Services	Dec. '92	772.1	808.0	761.0
18	17	Southland Corp.*	7-Eleven	Dec. '92	743.1	761.7	780.9
19	18	Tennessee Restaurant Co.	Perkins Family Restaurants, Friendly Ice Cream	Dec. '92	726.0	710.0	699.0
20	19	S&A Restaurant Corp.	Steak and Ale Restaurants, Bennigan's	June '93	690.3	682.8	676.0
21	26	Brinker International Inc.*	Chili's Grill & Bar, Regas Grill, Romano's Macaroni Grill	June '93	625.0	512.0	427.0
22	23	Long John Silver's Inc.	Long John Silver's	July '93	615.3	583.2	544.3
23	21	Caterair International Corp.	Caterair International, Marriott In-flite	Dec. '92	615.0	609.0	641.0
24	22	Walt Disney Co.*	Disney theme parks, hotels	Sept. '92	600.0	603.0	574.9
25	24	Sodexho Inc.	The Seiler Corp., Boatel, Food Dimensions Inc.	Aug. '92	536.5	526.0	511.0
26	27	Onex Corp.	Sky Chefs, Southwest Dining Services, Onex Food Services, Culinary Mgt	Dec. '92	499.0	484.0	471.0
27	36	Cracker Barrel Old Country Store Inc.*	Cracker Barrel Old Country Store	July '93	489.5	398.0	300.2
28	28	Carl Karcher Enterprises Inc.*	Carl's Jr.	Jan. '93	475.0	471.0	474.0
29	25	Domino's Pizza Inc.	Domino's Pizza	Dec. '92	453.2	514.5	538.3
30	35	Kyotaru Co. Ltd.[4]	Rest. Assoc.(Acapulco, etc.), Love's, Paragon Steakhouses, KFF(Arby's)	Oct. '92	451.2	405.5	156.3
31	29	Investors Management Corp.	Golden Corral, Oh! Brian's, Giluigi's, Rogazzi's, Zia Mia	Dec. '92	450.7	428.9	443.7
32	33	Vicorp Restaurants Inc.*	Bakers Square, Village Inn family restaurants	Oct. '92	430.0	422.6	394.4
33	31	American Restaurant Group Inc.	Stuart Anderson's, Grandy's, Spoons Grill & Bar, Spectrum Foods	Dec. '92	420.5	425.7	432.9
34	32	Al Copeland Enterprises[5]	Church's Fried Chicken, Popeyes Famous Fried Chicken & Biscuits	Dec. '92	420.0	425.0	485.0
35	30	Metromedia Steakhouses Inc.	Ponderosa Steakhouses, Bonanza Family Restaurants	Feb. '93	408.3	427.0	425.7
36	34	Hyatt Hotels Corp.	Hyatt hotels, resorts	Jan. '93	408.0	407.0	381.9
37	38	Bob Evans Farms Inc.*	Bob Evans Farms Restaurants, Owens Family Restaurants, Cantina del Rio	April '93	399.4	358.3	322.3
38	37	Sizzler International Inc.*	Sizzler Steak Seafood & Salad, Sizzler Buffet Court & Grill	April '93	376.5	371.2	366.0
39	49	Ryan's Family Steak Houses Inc.*	Ryan's Family Steak House	Dec. '92	374.0	299.0	274.0
40	39	Delaware North Cos.	Concession Air, Sportservice	Jan. '93	360.7	350.0	438.7
41	44	Boddie-Noell Enterprises Inc.	Hardee's, Skats	Sept. '92	359.0	320.0	315.0
42	41	Kmart Corp.*	Kmart snack bars and restaurants, Little Caesars	Jan. '93	353.0	326.0	325.0
43	42	Chick-fil-A Inc.	Chick-fil-A	Dec. '92	350.0	324.6	293.7
44	40	Luby's Cafeterias Inc.*	Luby's Cafeterias	Aug. '92	340.0	328.2	311.3
45	45	Aoki Corp.	Westin Hotels	Dec. '92	334.8	310.0	289.4
46	43	Ogden Corp.*	Ogden Allied entertainment, leisure and aviation services	Dec. '92	327.4	321.0	408.0
47	50	National Pizza Co.*	Pizza Hut, Skipper's Seafood	March '93	310.0	298.7	286.1
48	48	White Castle System Inc.	White Castle	Dec. '92	306.0	300.0	297.0
49	46	Piccadilly Cafeterias Inc.*	Piccadilly Cafeterias, Ralph & Kacoo's Seafood Restaurant	June '93	305.0	303.7	302.7
50	51	ITT Corp.*	Sheraton Hotels	Dec. '92	301.7	297.1	276.0

*Publicly held company
**Projected
Source: NRN Research

EXPLANATION OF COLUMN HEADINGS

1992 Rank: The Top 100 companies are ranked in descending order on the basis of projected corporate foodservice revenue from U.S. operations in the current fiscal year.

1991 Rank: The same 100 companies are ranked on the basis of U.S. foodservice revenue in their last full fiscal year, as revised from projections published in the 1991 Top 100 report. Companies not assigned a 1991 ranking did not generate sufficient revenue in their last full fiscal year to rank among the Top 100 that year.

Company: The business entity that ultimately owns the specified foodservice revenues; not an owned subsidiary that may function as a parent company.

Chains: The names of the chains or restaurant groups operated or franchised by the company or its operating subsidiary. In some instances the listed chain is a contract foodservice system or hotel or theme-park group.

Fiscal year ends: The ending date of the fiscal year represented in the "current" year column.

U.S. Food & Beverage Revenue: Domestically generated foodservice dollars collected by the company. Included are sales at company-owned operations; food and beverage sales royalties and fees collected from franchisees; and proceeds from routine restaurant-asset sales and divestitures by foodservice divisions. Excluded from revenue figure are sales at franchised restaurants; revenues generated by manufacturing or wholesaling of food or other products; revenues generated through sales of processed foods to supermarkets; foodservice distribution revenues; other revenues from non-foodservice sales at restaurants; and revenues from operations outside the United States. Amounts for hotels, contractors, in-store feeders and theme parks exclude all non-foodservice retail sales or contract activities, such as income from rooms, souvenirs, building maintenance, ticket sales and general retail.

"Current," "Last Full" and **"Prior"** figures represent three consecutive years, beginning with the current year that ends on the date indicated in the corresponding "fiscal year ends" column.

TOP 100 COMPANIES RANKED BY U.S. FOODSERVICE REVENUE

1992 Rank	1991 Rank	Company	Chains	Fiscal Year Ends	U.S. Food & Beverage Revenue (By Fiscal Year, In Millions)		
					Current**	Last Full	Prior
51	52	International Dairy Queen Inc.*	Dairy Queen, Orange Julius, KarmelKorn Shoppes, Golden Skillet	Nov. '92	$ 293.7	$ 288.8	$ 283.1
52	58	TPI Enterprises Inc.*	Shoney's, Captain D's, Danvers's, Hungry Fisherman	Jan. '93	282.0	261.0	252.7
53	56	Furr's/Bishop's Inc.*	Furr's Cafeterias, Bishop's Cafeterias, Zoo Kinis, El Paso Barbeque	Jan. '93	280.0	268.0	285.0
54	54	Hilton Hotels Corp.*	Hilton hotels, casinos	Dec. '92	279.0	277.2	255.5
55	55	ServiceMaster L.P.*	ServiceMaster Food Management	Dec. '92	277.1	269.0	239.0
56	47	Circle K Corp.[6]	Circle K convenience stores	April '93	270.0	303.0	305.9
57	53	Gilbert/Robinson Inc.	Houlihan's, Darryl's	Dec. '92	265.1	287.9	300.3
58	57	Rank Organisation	Hard Rock Cafe, Wild Bill's, Caruso's Palace, King Henry's Feast	Dec. '92	265.0	263.0	250.0
59	72	Buffets Inc.*	Old Country Buffet	Dec. '92	258.0	196.2	145.2
60	61	Albert Abela Corp.	The Wood Co. contract food services	Dec. '92	251.0	224.0	198.0
61	59	RTM Inc.	Arby's, Mrs. Winner's Chicken & Biscuits	May '93	245.0	242.0	233.0
62	60	Nestle S.A.	Stouffer Hotels, Top Restaurants, Rusty Scupper	Dec. '92	244.9	241.9	245.9
63	69	Unigate PLC	Black-eyed Pea, Dixie House, Taco Bueno, Casa Bonita, Crystal's Pizza	March '93	242.0	209.0	189.4
64	64	Ground Round Restaurants Inc.*	Ground Round	Sept. '92	229.0	216.2	215.5
65	63	Whataburger Inc.	Whataburger	Sept. '92	226.7	218.4	212.6
66	68	DWG Corp.	Arby's Inc., Daddy-O's	Dec. '92	221.9	209.1	199.6
67	67	Sbarro Inc.*	Sbarro The Italian Eatery	Jan. '93	220.8	209.8	191.2
68	71	Elias Brothers Restaurants Inc.	Big Boy, Top Hat contracting (Pontiac Silverdome, etc.)	Dec. '92	216.0	202.0	189.7
69	65	Harman Management Corp.	Kentucky Fried Chicken	July '93	214.0	212.0	207.0
70	66	Krystal Co.*	Krystal	Dec. '92	213.0	210.0	201.0
71	62	Time Warner Inc.*	Six Flags amusement parks	Dec. '92	210.0	220.0	201.0
72	75	Forte PLC	Gardner Merchant Food Service	Feb. '93	206.0	182.0	176.0
73	70	Riese Organization	Houlihan's, T.G.I.Friday's, KFC, Nathan's Famous	April '93	205.0	205.0	210.0
74	73	Harry M. Stevens Inc.	Harry M. Stevens contract food services	Dec. '92	190.0	190.0	210.0
75	96	Doctor's Associates Inc.	Subway	Dec. '92	189.0	117.0	94.0
76	82	ShowBiz Pizza Time Inc.*	Chuck E. Cheese's, ShowBiz Pizza, Monterey's Tex-Mex Cafe	Jan. '93	186.0	156.4	137.2
77	80	Daka International Inc.*	Daka contract food services, Fuddruckers	June '93	185.9	160.0	157.0
78	77	Woolworth Corp.*	Woolworth in-store, Burger King, Harvest House	Jan. '93	178.8	175.3	172.8
79	74	Wyatt Cafeterias Inc.	Wyatt Cafeterias	Dec. '92	175.0	182.1	187.2
80	76	Specialty Restaurants Corp.	94th Aero Squadron, Baby Doe's Matchless Mine, Crawdaddy's	July '93	173.4	178.7	184.3
81	97	Waffle House Inc.	Waffle House	June '93	173.0	111.5	92.5
82	79	Club Corp. of America Inc.	Private clubs and resorts	Dec. '92	169.5	160.1	149.5
83	78	Chart House Enterprises Inc.*	The Chart House, Paradise Bakery, Cork 'N Cleaver, Mangos, Beaches	Dec. '92	168.0	161.9	154.0
84	81	Allied-Lyons PLC[7]	Baskin-Robbins, Dunkin' Donuts	Feb. '93	165.0	159.9	150.7
85	—	Rally's Inc.*	Rally's Drive Thru	Dec. '92	158.0	94.1	81.8
86	85	W.H. Braum Inc.	Braum's Ice Cream and Dairy Stores	Dec. '92	156.0	145.0	139.0
87	83	Del Taco Inc.	Del Taco, Naugles	Dec. '92	153.0	148.0	145.0
88	84	Carrols Corp.	Burger King	Dec. '92	150.0	146.2	149.5
89	88	Promus Cos.*	Harrah's Casinos, Embassy Suites	Dec. '92	145.0	135.6	138.4
90	89	Papa Gino's of America Inc.[8]	Papa Gino's Pizza & More	Feb. '93	142.1	132.5	137.5
91	86	Frisch's Restaurants Inc.*	Big Boy, Hardee's, Quality Hotels	May '93	139.5	136.7	144.5
92	87	Mrs. Fields Inc.	Mrs. Fields Cookies, La Petite Boulangerie	Dec. '92	135.0	136.6	130.1
93	92	Consolidated Products Inc.*	Steak 'n Shake, Jeremiah Sweeney's, Santini's, Border Grill, Mustards	Sept. '92	134.1	126.5	116.2
94	93	Lyon's Restaurants Inc.	Lyon's Restaurants	June '93	129.9	124.3	121.2
95	91	JB's Restaurants Inc.*	JB's Restaurants, Sbarro Italian Eatery, Hometown Buffet	Sept. '92	127.0	127.3	114.9
96	94	Brown Derby Inc.	Brown Derby	May '93	125.2	124.2	123.0
97	90	RPM Pizza Inc.	Domino's Pizza	Dec. '92	125.0	128.0	145.0
98	98	IHOP Corp.*	International House of Pancakes	Dec. '92	120.0	105.3	97.3
99	95	Wilshire Restaurant Group	Marie Callender's Pie Shops	Dec. '92	109.0	117.5	119.4
100	—	Lettuce Entertain You Enterprises Inc.	Ambria, Cafe Ba-Ba-Reeba!, Ed Debevic's, Scoozi, Tucci Benucch, etc.	Dec. '92	108.1	98.3	90.5
		TOTAL:			$60,810.2	$57,606.0	$55,494.9

*Publicly held company
**Projected
Source: NRN Research

FOOTNOTES

[1] Ownership control would shift this year to Kohlberg Kravis & Roberts Co. from Conistan Partners as part of a $1 billion recapitalization.

[2] REGI management said the company intends to restructure financially in 1992 to reduce high-interest debt from its 1986 LBO, and is considering a public stock offering or sale of one of its divisions.

[3] Sale of Dobb Houses division to Marriott Corp.'s Host International division was expected to close this summer. Current-year sales projection does not reflect that divestiture.

[4] Last-full-year revenue growth reflects 1990 acquisitions of Restaurant Associates Industries group (Acapulco Mexican chain, Charlie Brown's dinner houses, Mamma Leone's, Brasserie, etc.); Paragon Steakhouses (Hungry Hunter/Mountain Jack's chains); and Love's Barbecue chain.

[5] Change in company's name and ownership is expected pending bankruptcy court approval of a reorganization plan.

[6] Data for Circle K were inadvertently omitted from the Top 100 chains tables. Because all Circle K stores are company-owned, the three-year revenue figures in this table are equivalent to the chain's systemwide sales for the corresponding years. Among the Top 100 chains ranked by systemwide sales, Circle K thus should have held the No. 80 rank for 1992, based on current-year projections; the chain's 1991 rank should be No. 70. Separate tables for units and unit growth should have projected 3,000 stores for current year, down from 3,720 units in the last full year and 4,205 units in the prior year. Separate tables for sales per unit and S.P.U. growth should have projected average-unit foodservice sales of $90,000 for current year, up from $81,450 for last full year and $72,730 for prior year.

[7] Results exclude income from Mister Donut chain, which company operates only in Canada.

[8] Ownership control held by private investor group comprising Gordon Miles, Berkshire Partners, McCown DeLeeuw.

ALPHABETIC DIRECTORY OF TOP 100 COMPANIES

(Use numeric rankings to locate projected 1992 results in Top 100 Companies tables)

Company	Company Headquarters	1992 RANKINGS Foodservice Revenue	1992 RANKINGS Revenue Growth Rate
Al Copeland Enterprises	Jefferson, La.	34	87
Albert Abela Corp.	London, England	60	18
Allied-Lyons PLC	London, England	84	50
American Restaurant Group Inc.	Newport Beach, Calif.	33	88
Aoki Corp.	Tokyo, Japan	45	25
ARA Services Inc.	Philadelphia, Pa.	6	42
Bob Evans Farms Inc.	Columbus, Ohio	37	19
Boddie-Noell Enterprises Inc.	Rocky Mount, N.C.	41	17
Brinker International Inc.	Dallas, Texas	21	8
Brown Derby Inc.	Cleveland, Ohio	96	75
Buffets Inc.	Eden Prairie, Minn.	59	4
Carl Karcher Enterprises Inc.	Anaheim, Calif.	28	74
Carlson Cos.	Minneapolis, Minn.	9	12
Carrols Corp.	Syracuse, N.Y.	88	55
Caterair International Corp.	Potomac, Md.	23	72
Chart House Enterprises Inc.	Solana Beach, Calif.	83	47
Chick-fil-A Inc.	Atlanta, Ga.	43	26
Circle K Corp.	Phoenix, Ariz.	56	99
Club Corp. of America Inc.	Dallas, Texas	82	36
Consolidated Products Inc.	Indianapolis, Ind.	93	34
Cracker Barrel Old Country Store Inc.	Lebanon, Tenn.	27	7
Daka International Inc.	Danvers, Mass.	77	10
Del Taco Inc.	Costa Mesa, Calif.	87	49
Delaware North Cos.	Buffalo, N.Y.	40	53
Dial Corp.	Phoenix, Ariz.	17	95
Doctor's Associates Inc.	Milford, Conn.	75	2
Domino's Pizza Inc.	Ann Arbor, Mich.	29	100
DWG Corp.	Miami, Fla.	66	33
Elias Brothers Restaurants Inc.	Warren, Mich.	68	30
Foodmaker Inc.	San Diego, Calif.	8	32
Forte PLC	London, England	72	16
Frisch's Restaurants Inc.	Cincinnati, Ohio	91	57
Furr's/Bishop's Inc.	Lubbock, Texas	53	44
General Mills Inc.	Minneapolis, Minn.	5	13
Gilbert/Robinson Inc.	Kansas City, Mo.	57	98
Grand Metropolitan PLC	London, England	10	63
Ground Round Restaurants Inc.	Braintree, Mass.	64	35
Harman Management Corp.	Los Altos, Calif.	69	73
Harry M. Stevens Inc.	Cranbury, N.J.	74	81
Hilton Hotels Corp.	Beverly Hills, Calif.	54	77
Hyatt Hotels Corp.	Chicago, Ill.	36	79
IHOP Corp.	Glendale, Cal.	98	14
Imasco Ltd.	Montreal, Canada	7	62
International Dairy Queen Inc.	Bloomington, Minn.	51	65
Investors Management Corp.	Raleigh, N.C.	31	39
ITT Corp.	Boston, Mass.	50	66
JB's Restaurants Inc.	Salt Lake City, Utah	95	83
Kmart Corp.	Troy, Mich.	42	23
Krystal Co.	Chattanooga, Tenn.	70	67
Kyotaru Co. Ltd.	Tokyo, Japan	30	20
Lettuce Entertain You Enterprises Inc.	Chicago, Ill.	100	22
Little Caesars Enterprises Inc.	Detroit, Mich.	16	5
Long John Silver's Inc.	Lexington, Ky.	22	37
Luby's Cafeterias Inc.	San Antonio, Texas	44	48
Lyon's Restaurants Inc.	Foster City, Calif.	94	43
Marriott Corp.	Washington, D.C.	2	85
McDonald's Corp.	Oak Brook, Ill.	3	29
Metromedia Steakhouses Inc.	Dayton, Ohio	35	94
Morrison Inc.	Mobile, Ala.	11	21
Mrs. Fields Inc.	Park City, Utah	92	86
National Pizza Co.	Pittsburg, Kan.	47	46
Nestle S.A.	Vevey, Switzerland	62	69
Ogden Corp.	New York, N.Y.	46	61
Onex Corp.	Toronto, Canada	26	51
Papa Gino's of America Inc.	Dedham, Mass.	90	28
PepsiCo Inc.	Purchase, N.Y.	1	15
Piccadilly Cafeterias Inc.	Baton Rouge, La.	49	78
Promus Cos.	Memphis, Tenn.	89	31
Rally's Inc.	Louisville, Ky.	85	1
Rank Organisation	London, England	58	76
Restaurant Enterprises Group Inc.	Irvine, Calif.	15	93
Riese Organization	New York, N.Y.	73	82
RPM Pizza Inc.	Livonia, Mich.	97	89
RTM Inc.	Atlanta, Ga.	61	70
Ryan's Family Steak Houses Inc.	Greer, S.C.	39	6
Sbarro Inc.	Commack, N.Y.	67	38
Servam Inc.	Stamford, Conn.	13	52
ServiceMaster L.P.	Downers Grove, Ill.	55	54
Shoney's Inc.	Nashville, Tenn.	14	40
ShowBiz Pizza Time Inc.	Irving, Texas	76	9
Sizzler International Inc.	Los Angeles, Calif.	38	68
Sodexho Inc.	Bois D'Arcy, France	25	60
Southland Corp.	Dallas, Texas	18	90
Specialty Restaurants Corp.	Anaheim, Calif.	80	91
S&A Restaurant Corp.	Dallas, Texas	20	71
Tennessee Restaurant Co.	Itasca, Ill.	19	56
Time Warner Inc.	New York, N.Y.	71	96
TPI Enterprises Inc.	Memphis, Tenn.	52	24
TW Holdings Inc.	Spartanburg, S.C.	4	80
Unigate PLC	London, England	63	11
Vicorp Restaurants Inc.	Denver, Colo.	32	64
Waffle House Inc.	Norcross, Ga.	81	3
Walt Disney Co.	Burbank, Calif.	24	84
Wendy's International Inc.	Dublin, Ohio	12	41
Whataburger Inc.	Corpus Christi, Texas	65	45
White Castle System Inc.	Columbus, Ohio	48	58
Wilshire Restaurant Group	Orange, Calif.	99	97
Woolworth Corp.	New York, N.Y.	78	59
Wyatt Cafeterias Inc.	Dallas, Texas	79	92
W.H. Braum Inc.	Oklahoma City, Okla.	86	27

Source: NRN Research

WELCOME TO NRN'S TOP 100

by Richard Martin
NRN Top 100 Project Director

In the pages of this special annual section, Nation's Restaurant News presents its exclusive Top 100 report on foodservice's largest and most powerful chains and companies.

Focusing on projected results for the current fiscal years of its subjects, Top 100 provides one of the industry's most graphic and comprehensive assessments of growth and change — and slippage — among the industry's pacesetters and dominant players.

Utilizing a variety of yardsticks to measure and contrast the performances of those front-line combatants, Top 100 offers penetrating insights into the dynamics shaping the U.S. food and beverage marketplace.

On a chain-by-chain and segment-by-segment basis, the study vividly depicts gains and losses in market-share battles fought by chains whose aggregate volumes represent nearly 37 percent of the U.S. foodservice industry's total estimated sales for 1992.

Differing significantly from other industry rankings and reports that quote historical grosses, NRN's Top 100 report excludes foreign operations and various non-foodservice revenue sources in order to project actual away-from-home food and beverage sales in the top ranks of the domestic marketplace.

Hundreds of hours of research and reporting by the editors of Nation's Restaurant News has yielded an analytical tool that reveals which markets, menu categories and chain concepts are capturing the lion's share of America's dining dollars.

Data were gathered by the NRN editorial staff from countless authoritative sources, including chains, parent companies, franchisees, suppliers, corporate reports, government documents and leading industry analysts.

The report ranks the 100 highest-grossing chains on the basis of their projected sales for the current year. Foodservice companies are ranked by their projected revenues.

In addition, outfits in the Top 100 are separately measured over a three-year span in terms of increased sales and revenues, unit and franchise expansion, and sales-per-unit growth.

Systemwide sales and corporate revenue were the sole criteria for inclusion of chains and companies in the Top 100 statistical universe.

The qualifying threshold for Top 100 chains this year was $195 million in domestic sales; for companies, it was $108.1 million in U.S. foodservice revenue.

With each annual report, Top 100's methodology allows prior years' figures in the three-year data base to be newly researched, corroborated and, if necessary, restated for those organization that qualify for inclusion. Therefore, estimates and projections about some chains and companies — particularly those that are closely held or diversified — can be improved from report to report as new information sources are tapped and domestic food-away-from-home results are more strictly isolated from other nonfoodservice income sources.

We invite you to refer to the "Top 100 Q & A" on page 66 for answers to commonly asked questions about the report and its methodology.

ALPHABETIC DIRECTORY OF TOP 100 CHAINS

(Use numeric rankings to locate projected 1992 results in key Top 100 tables)

Chain	Chain Headquarters	Parent Company	Concept	1992 Rankings					
				System-wide Sales	System Sales Growth	Sales Per Unit	Growth, Sales Per Unit	Number of Units	% Growth, # of Units
Applebee's Neighborhood Grill & Bar	Kansas City, Mo.	Applebee's International Inc.	Dinner House	60	2	28	16	69	4
ARA Leisure Services	Philadelpia, Pa.	ARA Services Inc.	Contract	58	82	14	45	84	71
ARA Services/ARASERVE	Philadelphia, Pa.	ARA Services Inc.	Contract	12	42	78	71	14	65
Arby's	Miami, Fla.	DWG Corp.	Sandwich	16	33	72	53	16	33
Bakers Square	Chicago, Ill.	Vicorp Restaurants Inc.	Family	77	61	33	86	77	45
Baskin-Robbins	Glendale, Calif.	Allied-Lyons PLC	Snack	30	6	96	47	15	21
Bennigan's	Dallas, Texas	S&A Restaurant Corp.	Dinner House	49	76	22	59	72	72
Big Boy	Warren, Mich.	Elias Bros. Restaurants Inc.	Family	22	27	44	10	28	60
Bob Evans Farms	Columbus, Ohio	Bob Evans Farms Inc.	Family	55	16	31	6	63	20
Bonanza	Dayton, Ohio	Metromedia Steakhouses Inc.	Steak	71	100	58	57	59	99
Burger King	Miami, Fla.	Grand Metropolitan PLC	Sandwich	2	52	56	46	5	70
Canteen Corp.	Spartanburg, S.C.	TW Holdings Inc.	Contract	17	92	68	40	19	91
Captain D's	Nashville, Tenn.	Shoney's Inc.	Seafood	53	69	74	52	36	58
Carl's Jr.	Anaheim, Calif.	Carl Karcher Enterprises Inc.	Sandwich	36	49	48	89	40	50
Caterair International	Potomac, Md.	Caterair International Corp.	Contract	38	77	4	56	95	73
Chick-fil-A	Atlanta, Ga.	Chick-fil-A Inc.	Chicken	63	31	73	73	46	34
Chili's Grill & Bar	Dallas, Texas	Brinker International	Dinner House	35	13	18	43	60	14
Chi-Chi's	Louisville, Ky.	Foodmaker Inc.	Dinner House	50	88	20	96	71	55
Church's Fried Chicken	Jefferson, La.	Al Copeland Enterprises Inc.	Chicken	52	91	89	20	27	87
Cracker Barrel Old Country Store	Lebanon, Tenn.	Cracker Barrel Old Country Store Inc.	Family	46	8	8	36	83	6
Dairy Queen	Bloomington, Minn.	International Dairy Queen Inc.	Sandwich	11	50	90	55	8	66
Daka Inc.	Danvers, Mass.	Daka International Inc.	Snack	99	84	92	74	47	74
Del Taco	Costa Mesa, Calif.	Del Taco Inc.	Sandwich	87	38	62	66	65	47
Denny's	Spartanburg, S.C.	TW Holdings Inc.	Family	15	43	46	99	23	31
Disney theme parks and hotels	Burbank, Calif.	Walt Disney Co.	Theme park	39	86	1	85	99	75
Dobbs Houses	Memphis, Tenn.	Dial Corp.	Contract	98	99	82	97	98	76
Dobbs International	Memphis, Tenn.	Dial Corp.	Contract	64	28	5	26	94	57
Domino's Pizza	Ann Arbor, Mich.	Domino's Pizza Inc.	Pizza	9	90	91	75	7	85
Dunkin' Donuts	Randolph, Mass.	Allied-Lyons PLC	Snack	23	12	83	61	17	9
El Torito	Irvine, Calif.	Restaurant Enterprises Group Inc.	Dinner House	88	94	23	93	89	88
Friendly's Restaurants	Wilbraham, Mass.	Tennessee Restaurant Co.	Family	44	78	71	23	33	83
Furr's Cafeterias	Lubbock, Texas	Furr's/Bishop's Inc.	Cafeteria	89	62	24	17	88	77
Gardner Merchant Food Services	Trumbull, Conn.	Forte PLC	Contract	97	21	95	24	38	29
Godfather's Pizza	Omaha, Neb.	Godfather's Pizza Inc.	Pizza	84	39	88	15	45	69
Golden Corral	Raleigh, N.C.	Investors Management Corp.	Steak	45	29	43	4	49	78
Ground Round	Braintree, Mass.	Ground Round Restaurants Inc.	Dinner House	74	45	36	54	74	37
Hardee's	Rocky Mount, N.C.	Imasco Ltd.	Sandwich	4	97	47	12	12	98
Hilton Hotels	Beverly Hills, Calif.	Hilton Hotels Corp.	Hotel	21	83	6	30	68	94
Holiday Inns	Atlanta, Geo.	Bass PLC	Hotel	37	36	93	8	18	36
Host International	Washington, D.C.	Marriott Corp.	Contract	31	15	53	70	93	38
Hyatt Hotels	Chicago, Ill.	Hyatt Hotels Corp.	Hotel	57	81	7	28	91	89
International House of Pancakes	Glendale, Calif.	IHOP Corp.	Family	48	19	60	19	44	39
Jack in the Box	San Diego, Calif.	Foodmaker Inc.	Sandwich	25	67	52	44	26	35
K mart	Troy, Mich.	K mart Corp.	In-store	62	30	98	1	21	100
KFC	Louisville, Ky.	PepsiCo Inc.	Chicken	5	41	75	72	6	62
Krystal	Chattanooga, Tenn.	Krystal Co.	Sandwich	94	46	59	51	66	16
Little Caesars Pizza	Detroit, Mich.	Little Caesar Enterprises Inc.	Pizza	10	4	87	83	9	5
Long John Silver's	Lexington, Ky.	Long John Silver's Holdings Inc.	Fish	28	34	80	29	22	44
Luby's Cafeteria	San Antonio, Texas	Luby's Cafeterias Inc.	Cafeteria	66	63	19	92	79	25
Marie Callender's	Orange, Calif.	Wilshire Restaurant Group	Family	86	73	32	76	85	95
Marriott Hotels & Resorts	Washington, D.C.	Marriott Corp.	Hotel	20	51	11	100	51	28
Marriott Management Services	Washington, D.C.	Marriott Corp.	Contract	8	47	50	63	13	3
McDonald's	Oak Brook, Ill.	McDonald's Corp.	Sandwich	1	70	30	68	1	46
Morrison Custom Management	Mobile, Ala.	Morrison Inc.	Contract	34	24	66	9	29	30
Morrison's	Mobile, Ala.	Morrison Inc.	Cafeteria	72	89	25	77	80	86
Ogden Allied Entertainment Services	New York, N.Y.	Ogden Corp.	Contract	81	65	16	41	90	59
Olive Garden	Orlando, Fla.	General Mills Inc.	Dinner House	26	7	13	62	56	8
Perkins Restaurants	Memphis, Tenn.	Tennessee Restaurant Co.	Family	43	37	38	88	52	67
Piccadilly	Baton Rouge, La.	Piccadilly Cafeterias Inc.	Cafeteria	79	80	26	49	86	93
Pizza Hut	Wichita, Kan.	PepsiCo Inc.	Pizza	3	35	77	38	2	43
Pizza Inn	Dallas, Texas	Pizza Inn Inc.	Pizza	100	5	86	3	55	26
Ponderosa	Dayton, Ohio	Metromedia Steakhouses Inc.	Steak	32	93	54	69	34	90
Popeyes Chicken	Jefferson, La.	Al Copeland Enterprises Inc.	Chicken	42	79	70	25	31	56
Quincy's	Spartanburg, S.C.	TW Holdings Inc.	Steak	75	60	40	78	73	53
Radisson Hotels	Minneapolis, Minn.	Carlson Cos.	Hotel	54	44	17	87	78	32
Rally's	Louisville, Ky.	Rally's Inc.	Sandwich	80	11	64	14	50	2
Ramada Inn	Parsippany, N.J.	Hospitality Franchise System	Hotel	59	55	79	95	35	23
Red Lobster	Orlando, Fla.	General Mills Inc.	Dinner House	13	26	12	84	42	17
Restaura Inc.	Phoenix, Ariz.	Dial Corp.	Contract	90	40	76	39	53	61
Round Table Pizza	San Francisco, Calif.	Round Table Franchise Corp.	Pizza	69	85	81	79	43	79
Roy Rogers	Rocky Mount, N.C.	Imasco Ltd.	Sandwich	33	1	49	5	32	1
Ruby Tuesday	Mobile, Ala.	Morrison Inc.	Dinner House	85	10	29	13	82	12
Ryan's Family Steak House	Greer, S.C.	Ryan's Family Steak Houses Inc.	Steak	51	9	21	21	75	13
Sbarro, The Italian Eatery	Commack, N.Y.	Sbarro Inc.	Pizza	73	25	85	80	41	10
Seiler Corp.	Waltham, Mass.	Sodexho	Contract	56	64	51	27	54	80
Service America Corp.	Stamford, Conn.	Servam Inc.	Contract	27	57	67	42	25	40
ServiceMaster Food Mgmt. Services	Downers Grove, Ill.	ServiceMaster L.P.	Contract	78	58	55	33	64	49
7-Eleven	Dallas, Texas	Southland Corp.	C-store	18	87	99	34	4	92
Sheraton Hotels	Boston, Mass.	ITT Corp.	Hotel	24	71	10	91	61	41
Shoney's	Nashville, Tenn.	Shoney's Inc.	Family	19	18	34	37	30	18
Show Biz/Chuck E. Cheese's	Irving, Texas	ShowBiz Pizza Time Inc.	Pizza	65	20	39	31	62	15
Six Flags amusement parks	Parsipanny, N.J.	Time Warner Inc.	Theme park	96	95	2	94	100	81
Sizzler	Los Angeles, Calif.	Sizzler Restaurants Intl. Inc.	Steak	29	75	35	65	37	63
Sky Chefs	Arlington, Texas	Onex Corp.	Contract	47	59	41	81	96	51
Sonic Drive-In	Oklahoma City, Okla.	Sonic Corp.	Sandwich	40	14	84	7	24	27
Steak and Ale	Dallas, Texas	S&A Restaurant Corp.	Dinner House	93	72	37	60	81	82
Stuart Anderson's Black Angus	Los Altos, Calif.	American Restaurant Group	Dinner House	92	74	15	90	92	54
Subway	Milford, Conn.	Doctor's Associates Inc.	Sandwich	14	3	97	2	3	7
Taco Bell	Irvine, Calif.	PepsiCo Inc.	Sandwich	6	17	61	11	10	24
TCBY	Little Rock, Ark.	TCBY Enterprises Inc.	Snack	76	98	100	98	20	97
The Wood Co.	Allentown, Pa.	The Albert Abela Corp.	Contract	82	22	65	18	58	22
Tony Roma's - A Place for Ribs	Dallas, Texas	Roma Holdings Inc.	Dinner House	95	68	27	82	87	19
T.G.I.Friday's	Dallas, Texas	Carlson Cos.	Dinner House	41	23	9	35	76	11
Village Inn	Denver, Colo.	Vicorp Restaurants Inc.	Family	83	54	45	32	70	84
Waffle House	Norcross, Ga.	Waffle House Inc.	Family	91	48	94	48	39	52
Wendy's	Dublin, Ohio	Wendy's International Inc.	Sandwich	7	56	63	64	11	68
Western Sizzlin'	Dallas, Texas	Intermark/Triton Group	Steak	61	96	57	50	57	96
Westin Hotels	Seattle, Wash.	Aoki Corp.	Hotel	67	32	3	22	97	48
Whataburger	Corpus Christi, Texas	Whataburger Inc.	Sandwich	68	53	69	67	48	64
White Castle	Columbus, Ohio	White Castle System Inc.	Sandwich	70	66	42	58	67	42

Source: NRN Research

NRN TOP 100

TOP 100 CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	Percentage Change '91 vs. '90
1	100	Roy Rogers	Dec. '92	269.35	–62.80
2	4	Applebee's Neighborhood Grill & Bar	Dec. '92	29.25	26.91
3	5	Subway	Dec. '92	26.92	23.81
4	6	Little Caesars Pizza	Dec. '92	25.22	23.21
5	60	Pizza Inn	June '93	24.25	2.43
6	19	Baskin-Robbins	Feb. '93	23.65	11.09
7	2	Olive Garden	May '93	23.31	31.65
8	1	Cracker Barrel Old Country Store	July '93	22.99	32.58
9	29	Ryan's Family Steak House	Dec. '92	21.41	7.25
10	3	Ruby Tuesday	June '92	19.71	27.15
11	7	Rally's	Dec. '92	16.06	19.13
12	67	Dunkin' Donuts	Feb. '93	15.77	1.41
13	8	Chili's Grill & Bar	June '93	15.69	18.20
14	10	Sonic Drive-In	Aug. '92	15.61	14.19
15	47	Host International	Dec. '92	15.44	3.89
16	18	Bob Evans Farms	April '93	15.31	11.14
17	14	Taco Bell	Dec. '92	14.81	12.50
18	20	Shoney's	Oct. '92	14.55	10.97
19	28	International House of Pancakes	Dec. '92	14.54	7.39
20	27	Show Biz/Chuck E. Cheese's	Jan. '93	13.59	7.42
21	54	Gardner Merchant Food Services	Feb. '93	13.19	3.41
22	12	The Wood Co.	Dec. '92	12.05	13.13
23	26	T.G.I.Friday's	Dec. '92	10.47	7.96
24	17	Morrison Custom Management	June '93	10.03	11.15
25	24	Sbarro, The Italian Eatery	Jan. '93	9.99	9.41
26	22	Red Lobster	May '93	9.54	9.79
27	81	Big Boy	Dec. '92	9.35	– 0.13
28	38	Dobbs International	Dec. '92	9.01	5.48
29	49	Golden Corral	Dec. '92	8.42	3.67
30	79	K mart	Jan. '93	8.28	0.31
31	21	Chick-fil-A	Dec. '92	7.84	10.50
32	34	Westin Hotels	Dec. '92	7.82	6.41
33	51	Arby's	Dec. '92	7.65	3.46
34	32	Long John Silver's	July '92	7.26	6.86
35	35	Pizza Hut	Dec. '92	7.23	6.41
36	75	Holiday Inns	Oct. '92	7.00	0.99
37	30	Perkins Restaurants	Dec. '92	6.73	7.22
38	25	Del Taco	Dec. '92	6.25	9.27
39	76	Godfather's Pizza	May '93	6.14	0.88
40	95	Restaura Inc.	Dec. '92	6.10	– 7.39
41	36	KFC	Dec. '92	5.88	6.25
42	31	ARA Services/ARASERVE	Sept. '92	5.56	7.09
43	52	Denny's	Dec. '92	5.23	3.45
44	9	Radisson Hotels	Dec. '92	5.00	14.29
45	71	Ground Round	Sept. '92	4.60	1.02
46	53	Krystal	Dec. '92	4.27	3.43
47	59	Marriott Management Services	Dec. '92	4.21	2.52
48	16	Waffle House	June '93	4.01	11.28
49	37	Carl's Jr.	Jan. '93	4.00	6.20
50	66	Dairy Queen	Nov. '92	4.00	1.55
51	46	Marriott Hotels & Resorts	Dec. '92	3.85	4.19
52	65	Burger King	Sept. '92	3.61	2.05
53	57	Whataburger	Sept. '93	3.49	2.84
54	80	Village Inn	Oct. '92	3.35	0.18
55	11	Ramada Inn	Dec. '92	3.16	13.40
56	40	Wendy's	Jan. '93	3.09	5.39
57	98	Service America Corp.	Mar. '93	3.06	–10.80
58	13	ServiceMaster Food Mgmt. Servs.	Dec. '92	3.01	12.55
59	55	Sky Chefs	Dec. '92	3.00	3.09
60	78	Quincy's	Dec. '92	2.36	0.64
61	15	Bakers Square	Oct. '92	2.32	11.88
62	88	Furr's Cafeterias	Jan. '93	2.22	– 2.17
63	39	Luby's Cafeteria	Aug. '92	2.07	5.43
64	50	Seiler Corp.	Aug. '92	2.01	3.46
65	63	Ogden Allied Entertainment Services	Dec. '92	2.00	2.25
66	73	White Castle	Dec. '92	2.00	1.01
67	48	Jack in the Box	Sept. '92	1.84	3.69
68	44	Tony Roma's—A Place for Ribs	Feb. '93	1.79	4.29
69	69	Captain D's	Oct. '92	1.48	1.27
70	64	McDonald's	Dec. '92	1.47	2.19
71	94	Sheraton Hotels	Dec. '92	1.38	– 7.05
72	72	Steak and Ale	June '93	1.32	1.01
73	89	Marie Callender's	Dec. '92	1.27	– 4.07
74	83	Stuart Anderson's Black Angus	Dec. '92	1.27	– 0.36
75	70	Sizzler	April '93	1.18	1.19
76	74	Bennigan's	June '93	0.99	1.00
77	91	Caterair International	Dec. '92	0.99	– 4.99
78	77	Friendly's Restaurants	Dec. '92	0.90	0.80
79	56	Popeyes Chicken	Dec. '92	0.75	3.08
80	82	Piccadilly	June '93	0.73	– 0.22
81	33	Hyatt Hotels	Jan. '93	0.25	6.57
82	45	ARA Leisure Services	Sept. '92	0.20	4.21
83	58	Hilton Hotels	Dec. '92	0.18	2.56
84	85	Daka Inc.	June '93	0.00	– 1.02
85	68	Round Table Pizza	June '93	0.00	1.29
86	43	Disney theme parks and hotels	Sept. '92	– 0.33	4.89
87	84	7-Eleven	Dec. '92	– 0.44	– 0.53
88	62	Chi-Chi's	Sept. '92	– 0.87	2.36
89	87	Morrison's	June '93	– 1.21	– 2.12
90	97	Domino's Pizza	Dec. '92	– 1.75	– 9.43
91	90	Church's Fried Chicken	Dec. '92	– 2.05	– 4.77
92	86	Canteen Corp.	Dec. '92	– 2.05	– 2.01
93	41	Ponderosa	Feb. '93	– 2.58	5.15
94	93	El Torito	Dec. '92	– 3.48	– 6.70
95	23	Six Flags amusement parks	Dec. '92	– 4.55	9.45
96	96	Western Sizzlin'	Dec. '92	– 6.55	– 8.26
97	61	Hardee's	Dec. '92	– 9.52	2.41
98	92	TCBY	Nov. '92	– 10.78	– 6.63
99	42	Dobbs Houses	Dec. '92	– 13.42	5.00
100	99	Bonanza	Feb. '93	– 15.13	–11.24

*Projected
Source: NRN Research

TOP 100 COMPANIES RANKED BY GROWTH IN U.S. FOODSERVICE REVENUE

(Year-to-year percentage change)

1992 Rank	1991 Rank	Company	Fiscal Year Ends	Percentage Change '92 vs. '91*	Percentage Change '91 vs. '90
1	9	Rally's Inc.	Dec. '92	67.91	15.04
2	5	Doctor's Associates Inc.	Dec. '92	61.54	24.47
3	6	Waffle House Inc.	June '93	55.16	20.54
4	3	Buffets Inc.	Dec. '92	31.50	35.12
5	2	Little Caesars Enterprises Inc.	Dec. '92	25.19	40.43
6	21	Ryan's Family Steak Houses Inc.	Dec. '92	25.08	9.12
7	4	Cracker Barrel Old Country Store Inc.	July '93	22.99	32.58
8	7	Brinker International Inc.	June '93	22.07	19.91
9	10	ShowBiz Pizza Time Inc.	Jan. '93	18.91	14.02
10	60	Daka International Inc.	June '93	16.19	1.91
11	17	Unigate PLC	March '93	15.79	10.35
12	33	Carlson Cos.	Dec. '92	14.59	6.86
13	8	General Mills Inc.	May '93	14.56	16.59
14	27	IHOP Corp.	Dec. '92	13.99	8.19
15	12	PepsiCo Inc.	Dec. '92	13.45	12.95
16	51	Forte PLC	Feb. '93	13.19	3.41
17	61	Boddie-Noell Enterprises Inc.	Sept. '92	12.19	1.59
18	11	Albert Abela Corp.	Dec. '92	12.05	13.13
19	14	Bob Evans Farms Inc.	April '93	11.47	11.17
20	1	Kyotaru Co. Ltd.	Oct. '92	11.27	159.44
21	26	Morrison Inc.	June '93	10.58	8.33
22	24	Lettuce Entertain You Enterprises Inc.	Dec. '92	9.97	8.68
23	70	Kmart Corp.	Jan. '93	8.28	0.31
24	52	TPI Enterprises Inc.	Jan. '93	8.05	3.28
25	31	Aoki Corp.	Dec. '92	8.00	7.12
26	16	Chick-fil-A Inc.	Dec. '92	7.84	10.50
27	49	W.H. Braum Inc.	Dec. '92	7.59	4.32
28	86	Papa Gino's of America Inc.	Feb. '93	7.25	– 3.64
29	87	McDonald's Corp.	Dec. '92	7.01	– 3.69
30	36	Elias Brothers Restaurants Inc.	Dec. '92	6.95	6.47
31	79	Promus Cos.	Dec. '92	6.93	– 2.02
32	23	Foodmaker Inc.	Sept. '92	6.90	8.76
33	46	DWG Corp.	Dec. '92	6.12	4.76
34	22	Consolidated Products Inc.	Sept. '92	6.04	8.83
35	69	Ground Round Restaurants Inc.	Sept. '92	5.92	0.32
36	32	Club Corp. of America Inc.	Dec. '92	5.87	7.09
37	29	Long John Silver's Inc.	July '93	5.50	7.15
38	18	Sbarro Inc.	Jan. '93	5.23	9.73
39	85	Investors Management Corp.	Dec. '92	5.08	– 3.34
40	41	Shoney's Inc.	Oct. '92	4.94	5.16
41	45	Wendy's International Inc.	Jan. '93	4.72	4.87
42	35	ARA Services Inc.	Sept. '92	4.59	6.56
43	56	Lyon's Restaurants Inc.	June '93	4.51	2.52
44	94	Furr's/Bishop's Inc.	Jan. '93	4.48	– 5.96
45	55	Whataburger Inc.	Sept. '92	3.80	2.73
46	48	National Pizza Co.	March '93	3.78	4.42
47	42	Chart House Enterprises Inc.	Dec. '92	3.77	5.12
48	39	Luby's Cafeterias Inc.	Aug. '92	3.60	5.43
49	58	Del Taco Inc.	Dec. '92	3.38	2.07
50	38	Allied-Lyons PLC	Feb. '93	3.19	6.10
51	54	Onex Corp.	Dec. '92	3.10	2.76
52	96	Servam Inc.	March '93	3.06	– 10.80
53	99	Delaware North Cos.	Jan. '93	3.06	– 20.22
54	13	ServiceMaster L.P.	Dec. '92	3.01	12.55
55	80	Carrols Corp.	Dec. '92	2.60	– 2.18
56	62	Tennessee Restaurant Co.	Dec. '92	2.25	1.57
57	93	Frisch's Restaurants Inc.	May '93	2.06	– 5.39
58	65	White Castle System Inc.	Dec. '92	2.00	1.01
59	63	Woolworth Corp.	Jan. '93	2.00	1.45
60	53	Sodexho Inc.	Aug. '92	2.00	2.94
61	100	Ogden Corp.	Dec. '92	1.99	– 21.32
62	74	Imasco Ltd.	Dec. '92	1.97	– 0.87
63	20	Grand Metropolitan PLC	Sept. '92	1.93	9.30
64	30	Vicorp Restaurants Inc.	Oct. '92	1.76	7.14
65	59	International Dairy Queen Inc.	Nov. '92	1.68	2.02
66	28	ITT Corp.	Dec. '92	1.55	7.64
67	47	Krystal Co.	Dec. '92	1.43	4.48
68	64	Sizzler International Inc.	April '93	1.43	1.42
69	77	Nestle S.A.	Dec. '92	1.24	– 1.63
70	50	RTM Inc.	May '93	1.24	3.86
71	66	S&A Restaurant Corp.	June '93	1.10	1.01
72	92	Caterair International Corp.	Dec. '92	0.99	– 4.99
73	57	Harman Management Corp.	July '93	0.94	2.42
74	73	Carl Karcher Enterprises Inc.	Jan. '93	0.85	– 0.63
75	67	Brown Derby Inc.	May '93	0.81	0.98
76	40	Rank Organisation	Dec. '92	0.76	5.20
77	25	Hilton Hotels Corp.	Dec. '92	0.65	8.49
78	68	Piccadilly Cafeterias Inc.	June '93	0.41	0.33
79	34	Hyatt Hotels Corp.	Jan. '93	0.25	6.57
80	72	TW Holdings Inc.	Dec. '92	0.19	– 0.25
81	95	Harry M. Stevens Inc.	Dec. '92	0.00	– 9.52
82	81	Riese Organization	April '93	0.00	– 2.38
83	15	JB's Restaurants Inc.	Sept. '92	– 0.26	10.87
84	44	Walt Disney Co.	Sept. '92	– 0.50	4.89
85	90	Marriott Corp.	Dec. '92	– 1.12	– 4.22
86	43	Mrs. Fields Inc.	Dec. '92	– 1.17	5.00
87	98	Al Copeland Enterprises	Dec. '92	– 1.18	– 12.37
88	78	American Restaurant Group Inc.	Dec. '92	– 1.22	– 1.66
89	97	RPM Pizza Inc.	Dec. '92	– 2.34	– 11.72
90	82	Southland Corp.	Dec. '92	– 2.45	– 2.46
91	84	Specialty Restaurants Corp.	July '93	– 2.97	– 3.04
92	83	Wyatt Cafeterias Inc.	Dec. '92	– 3.90	– 2.72
93	88	Restaurant Enterprises Group Inc.	Dec. '92	– 4.00	– 4.08
94	71	Metromedia Steakhouses Inc.	Feb. '93	– 4.38	0.31
95	37	Dial Corp.	Dec. '92	– 4.44	6.18
96	19	Time Warner Inc.	Dec. '92	– 4.55	9.45
97	76	Wilshire Restaurant Group	Dec. '92	– 7.23	– 1.59
98	89	Gilbert/Robinson Inc.	Dec. '92	– 7.93	– 4.10
99	75	Circle K Corp.	April '93	–10.89	– 0.95
100	91	Domino's Pizza Inc.	Dec. '92	–11.91	– 4.42

*Projected
Source: NRN Research

TOP 100 CHAINS RANKED BY SALES PER UNIT

(Comparable-unit averages; may not reflect systemwide totals)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
				Current*	Last Full	Prior
1	1	Disney theme parks and hotels	Sept. '92	46,153.0	46,384.0	44,223.0
2	2	Six Flags amusement parks	Dec. '92	30,000.0	31,400.0	28,700.0
3	4	Westin Hotels	Dec. '92	9,457.1	9,029.4	8,742.4
4	3	Caterair International	Dec. '92	9,200.0	9,100.0	8,400.0
5	5	Dobbs International	Dec. '92	6,344.0	6,100.0	5,880.0
6	6	Hilton Hotels	Dec. '92	4,250.0	4,100.0	4,075.0
7	7	Hyatt Hotels	Jan. '93	3,960.0	3,812.0	3,673.0
8	10	Cracker Barrel Old Country Store	July '93	3,519.2	3,420.0	3,115.0
9	11	T.G.I.Friday's	Dec. '92	3,460.0	3,360.0	3,450.0
10	9	Sheraton Hotels	Dec. '92	3,428.2	3,522.1	3,750.3
11	8	Marriott Hotels & Resorts	Dec. '92	3,324.0	3,631.0	3,526.0
12	12	Red Lobster	May '93	2,900.0	2,910.0	3,000.0
13	13	Olive Garden	May '93	2,822.0	2,800.0	2,772.0
14	14	ARA Leisure Services	Sept. '92	2,650.0	2,600.0	2,500.0
15	15	Stuart Anderson's Black Angus	Dec. '92	2,556.5	2,595.5	2,635.0
16	19	Ogden Allied Entertainment Services	Dec. '92	2,346.0	2,300.0	2,400.0
17	16	Radisson Hotels	Dec. '92	2,333.0	2,350.0	2,270.0
18	20	Chili's Grill & Bar	June '93	2,310.0	2,265.0	2,218.0
19	18	Luby's Cafeteria	Aug. '92	2,220.0	2,300.0	2,400.0
20	17	Chi-Chi's	Sept. '92	2,200.0	2,310.0	2,440.0
21	21	Ryan's Family Steak House	Dec. '92	2,200.0	2,100.0	2,300.0
22	23	Bennigan's	June '93	2,100.7	2,079.8	2,059.3
23	22	El Torito	Dec. '92	2,022.2	2,095.5	2,246.0
24	26	Furr's Cafeterias	Jan. '93	1,900.0	1,800.0	1,900.0
25	24	Morrison's	June '93	1,900.0	1,900.0	1,800.0
26	25	Piccadilly	June '93	1,900.0	1,874.0	1,903.0
27	27	Tony Roma's—A Place for Ribs	Feb. '93	1,800.0	1,800.0	1,800.0
28	28	Applebee's Neighborhood Grill & Bar	Dec. '92	1,795.7	1,697.1	1,700.0
29	32	Ruby Tuesday	June '92	1,700.0	1,600.0	1,700.0
30	29	McDonald's	Dec. '92	1,665.0	1,658.0	1,649.0
31	35	Bob Evans Farms	April '93	1,650.0	1,525.0	1,400.0
32	30	Marie Callender's	Dec. '92	1,650.0	1,650.0	1,650.0
33	31	Bakers Square	Oct. '92	1,620.0	1,631.0	1,555.0
34	33	Shoney's	Oct. '92	1,600.0	1,559.0	1,538.0
35	34	Sizzler	April '93	1,550.0	1,540.0	1,600.0
36	36	Ground Round	Sept. '92	1,465.0	1,448.0	1,427.0
37	37	Steak and Ale	June '93	1,404.1	1,390.2	1,376.4
38	38	Perkins Restaurants	Dec. '92	1,341.0	1,352.0	1,340.0
39	41	Show Biz/Chuck E. Cheese's	Jan. '93	1,340.0	1,297.0	1,269.0
40	39	Quincy's	Dec. '92	1,300.0	1,300.0	1,300.0
41	40	Sky Chefs	Dec. '92	1,300.0	1,300.0	1,300.0
42	42	White Castle	Dec. '92	1,296.0	1,283.0	1,166.0
43	47	Golden Corral	Dec. '92	1,200.0	1,052.0	947.0
44	45	Big Boy	Dec. '92	1,189.0	1,105.0	1,081.0
45	44	Village Inn	Oct. '92	1,180.0	1,144.0	1,093.0
46	43	Denny's	Dec. '92	1,160.0	1,230.0	1,190.0
47	49	Hardee's	Dec. '92	1,100.0	1,032.0	1,000.0
48	46	Carl's Jr.	Jan. '93	1,090.0	1,103.8	1,114.2
49	54	Roy Rogers	Dec. '92	1,080.0	975.0	1,060.0
50	48	Marriott Management Services	Dec. '92	1,054.0	1,046.0	1,063.0
51	51	Seiler Corp.	Aug. '92	1,050.0	1,010.0	975.0
52	50	Jack in the Box	Sept. '92	1,040.0	1,020.0	1,020.0
53	52	Host International	Dec. '92	1,000.0	997.0	992.0
54	53	Ponderosa	Feb. '93	994.0	990.0	986.1
55	56	ServiceMaster Food Mgmt. Servs.	Dec. '92	993.2	964.3	902.0
56	55	Burger King	Sept. '92	988.0	971.0	983.0
57	58	Western Sizzlin'	Dec. '92	962.0	950.0	942.0
58	57	Bonanza	Feb. '93	960.0	950.0	940.0
59	59	Krystal	Dec. '92	898.0	887.0	837.0
60	62	International House of Pancakes	Dec. '92	887.0	845.0	801.0
61	63	Taco Bell	Dec. '92	873.0	814.0	771.0
62	60	Del Taco	Dec. '92	865.0	860.0	840.0
63	61	Wendy's	Jan. '93	858.0	852.0	811.0
64	64	Rally's	Dec. '92	850.0	801.0	852.0
65	65	The Wood Co.	Dec. '92	790.0	752.4	684.5
66	68	Morrison Custom Management	June '93	763.0	707.0	699.0
67	66	Service America Corp.	Mar. '93	747.7	733.0	632.0
68	67	Canteen Corp.	Dec. '92	744.6	730.0	835.0
69	69	Whataburger	Sept. '93	701.5	698.3	700.2
70	72	Popeyes Chicken	Dec. '92	700.0	673.0	720.0
71	75	Friendly's Restaurants	Dec. '92	690.0	659.0	640.0
72	71	Arby's	Dec. '92	688.0	680.0	675.0
73	70	Chick-fil-A	Dec. '92	688.0	687.0	681.0
74	74	Captain D's	Oct. '92	675.0	667.0	667.0
75	73	KFC	Dec. '92	671.0	669.0	649.0
76	76	Restaura Inc.	Dec. '92	664.5	650.0	628.3
77	78	Pizza Hut	Dec. '92	653.0	637.0	631.0
78	77	ARA Services/ARASERVE	Sept. '92	650.9	649.0	646.5
79	79	Ramada Inn	Dec. '92	604.0	633.0	659.0
80	81	Long John Silver's	July '92	596.0	574.0	535.0
81	82	Round Table Pizza	June '93	554.0	554.0	547.0
82	80	Dobbs Houses	Dec. '92	548.6	577.5	579.0
83	83	Dunkin' Donuts	Feb. '93	545.7	540.3	596.7
84	85	Sonic Drive-In	Aug. '92	520.0	481.0	446.0
85	84	Sbarro, The Italian Eatery	Jan. '93	515.0	515.0	546.0
86	90	Pizza Inn	June '93	490.7	425.3	404.1
87	86	Little Caesars Pizza	Dec. '92	472.1	472.6	441.2
88	87	Godfather's Pizza	May '93	472.0	446.0	449.0
89	91	Church's Fried Chicken	Dec. '92	445.6	425.0	420.0
90	88	Dairy Queen	Nov. '92	440.0	435.0	430.0
91	89	Domino's Pizza	Dec. '92	431.6	431.6	439.4
92	92	Daka Inc.	June '93	406.0	406.0	414.0
93	93	Holiday Inns	Oct. '92	396.7	367.3	363.7
94	94	Waffle House	June '93	365.0	360.0	355.0
95	95	Gardner Merchant Food Services	Feb. '93	322.9	309.3	306.1
96	96	Baskin-Robbins	Feb. '93	295.0	290.0	285.0
97	97	Subway	Dec. '92	260.0	225.0	217.0
98	100	K mart	Jan. '93	235.3	181.5	181.7
99	98	7-Eleven	Dec. '92	220.8	214.4	208.4
100	99	TCBY	Nov. '92	187.7	199.0	323.0

*Projected
Source: NRN Research

TOP 100 CHAINS RANKED BY GROWTH IN SALES PER UNIT

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	70	K mart	Jan. '93	29.65	– 0.08
2	25	Subway	Dec. '92	15.56	3.69
3	17	Pizza Inn	June '93	15.39	5.24
4	2	Golden Corral	Dec. '92	14.07	11.09
5	96	Roy Rogers	Dec. '92	10.77	– 8.02
6	7	Bob Evans Farms	April '93	8.20	8.93
7	9	Sonic Drive-In	Aug. '92	8.11	7.85
8	52	Holiday Inns	Oct. '92	8.00	1.00
9	47	Morrison Custom Management	June '93	7.92	1.14
10	37	Big Boy	Dec. '92	7.60	2.22
11	14	Taco Bell	Dec. '92	7.25	5.58
12	31	Hardee's	Dec. '92	6.59	3.20
13	91	Ruby Tuesday	June '92	6.25	– 5.88
14	92	Rally's	Dec. '92	6.12	– 5.99
15	74	Godfather's Pizza	May '93	5.83	– 0.67
16	71	Applebee's Neighborhood Grill & Bar	Dec. '92	5.81	– 0.17
17	88	Furr's Cafeterias	Jan. '93	5.56	– 5.26
18	4	The Wood Co.	Dec. '92	5.00	9.92
19	16	International House of Pancakes	Dec. '92	4.97	5.49
20	45	Church's Fried Chicken	Dec. '92	4.86	1.19
21	97	Ryan's Family Steak House	Dec. '92	4.76	– 8.70
22	30	Westin Hotels	Dec. '92	4.74	3.28
23	34	Friendly's Restaurants	Dec. '92	4.70	2.97
24	48	Gardner Merchant Food Services	Feb. '93	4.38	1.07
25	94	Popeyes Chicken	Dec. '92	4.01	– 6.53
26	24	Dobbs International	Dec. '92	4.00	3.74
27	26	Seiler Corp.	Aug. '92	3.96	3.59
28	23	Hyatt Hotels	Jan. '93	3.88	3.78
29	10	Long John Silver's	July '92	3.83	7.29
30	59	Hilton Hotels	Dec. '92	3.66	0.61
31	38	Show Biz/Chuck E. Cheese's	Jan. '93	3.32	2.21
32	21	Village Inn	Oct. '92	3.15	4.67
33	12	ServiceMaster Food Mgmt. Servs.	Dec. '92	3.00	6.91
34	35	7-Eleven	Dec. '92	3.00	2.86
35	82	T.G.I.Friday's	Dec. '92	2.98	– 2.61
36	5	Cracker Barrel Old Country Store	July '93	2.90	9.79
37	43	Shoney's	Oct. '92	2.63	1.37
38	54	Pizza Hut	Dec. '92	2.51	0.95
39	28	Restaura Inc.	Dec. '92	2.23	3.45
40	99	Canteen Corp.	Dec. '92	2.00	–12.57
41	87	Ogden Allied Entertainment Services	Dec. '92	2.00	– 4.17
42	1	Service America Corp.	Mar. '93	2.00	15.98
43	39	Chili's Grill & Bar	June '93	1.99	2.12
44	65	Jack in the Box	Sept. '92	1.96	0.00
45	22	ARA Leisure Services	Sept. '92	1.92	4.00
46	76	Burger King	Sept. '92	1.75	– 1.22
47	40	Baskin-Robbins	Feb. '93	1.72	1.75
48	42	Waffle House	June '93	1.39	1.41
49	78	Piccadilly	June '93	1.39	– 1.52
50	57	Western Sizzlin'	Dec. '92	1.26	0.85
51	13	Krystal	Dec. '92	1.24	5.97
52	64	Captain D's	Oct. '92	1.20	0.00
53	58	Arby's	Dec. '92	1.18	0.74
54	41	Ground Round	Sept. '92	1.17	1.47
55	46	Dairy Queen	Nov. '92	1.15	1.16
56	8	Caterair International	Dec. '92	1.10	8.33
57	49	Bonanza	Feb. '93	1.05	1.06
58	3	White Castle	Dec. '92	1.01	10.03
59	53	Bennigan's	June '93	1.00	1.00
60	51	Steak and Ale	June '93	1.00	1.00
61	98	Dunkin' Donuts	Feb. '93	1.00	– 9.45
62	50	Olive Garden	May '93	0.79	1.01
63	79	Marriott Management Services	Dec. '92	0.76	– 1.60
64	18	Wendy's	Jan. '93	0.70	5.06
65	84	Sizzler	April '93	0.65	– 3.75
66	36	Del Taco	Dec. '92	0.58	2.38
67	73	Whataburger	Sept. '93	0.46	– 0.27
68	60	McDonald's	Dec. '92	0.42	0.55
69	62	Ponderosa	Feb. '93	0.40	0.40
70	61	Host International	Dec. '92	0.30	0.50
71	63	ARA Services/ARASERVE	Sept. '92	0.30	0.39
72	32	KFC	Dec. '92	0.30	3.08
73	56	Chick-fil-A	Dec. '92	0.15	0.88
74	81	Daka Inc.	June '93	0.00	– 1.93
75	80	Domino's Pizza	Dec. '92	0.00	– 1.78
76	66	Marie Callender's	Dec. '92	0.00	0.00
77	15	Morrison's	June '93	0.00	5.56
78	67	Quincy's	Dec. '92	0.00	0.00
79	44	Round Table Pizza	June '93	0.00	1.28
80	90	Sbarro, The Italian Eatery	Jan. '93	0.00	– 5.68
81	68	Sky Chefs	Dec. '92	0.00	0.00
82	69	Tony Roma's—A Place for Ribs	Feb. '93	0.00	0.00
83	11	Little Caesars Pizza	Dec. '92	– 0.11	7.12
84	83	Red Lobster	May '93	– 0.34	– 3.00
85	20	Disney theme parks and hotels	Sept. '92	– 0.50	4.89
86	19	Bakers Square	Oct. '92	– 0.67	4.89
87	27	Radisson Hotels	Dec. '92	– 0.72	3.52
88	55	Perkins Restaurants	Dec. '92	– 0.81	0.90
89	75	Carl's Jr.	Jan. '93	– 1.25	– 0.93
90	77	Stuart Anderson's Black Angus	Dec. '92	– 1.50	– 1.50
91	93	Sheraton Hotels	Dec. '92	– 2.67	– 6.08
92	86	Luby's Cafeteria	Aug. '92	– 3.48	– 4.17
93	95	El Torito	Dec. '92	– 3.50	– 6.70
94	6	Six Flags amusement parks	Dec. '92	– 4.46	9.41
95	85	Ramada Inn	Dec. '92	– 4.58	– 3.95
96	89	Chi-Chi's	Sept. '92	– 4.76	– 5.33
97	72	Dobbs Houses	Dec. '92	– 5.00	– 0.26
98	100	TCBY	Nov. '92	– 5.68	–38.39
99	29	Denny's	Dec. '92	– 5.69	3.36
100	33	Marriott Hotels & Resorts	Dec. '92	– 8.45	2.98

*Projected
Source: NRN Research

TOP 100 CHAINS RANKED BY CURRENT-YEAR TOTAL NUMBER OF U.S. UNITS

				Current (Year-end Projection)			Last Full Year			Prior Year		
1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Total	(Company -	Franchise)	Total	(Company -	Franchise)	Total	(Company -	Franchise)
1	1	McDonald's	Dec. '92	9,051	1,495	7,556	8,764	1,446	7,318	8,472	1,632	6,796
2	2	Pizza Hut	Dec. '92	7,280	4,230	3,050	7,010	4,012	2,998	6,681	3,658	3,023
3	4	Subway	Dec. '92	7,000	0	7,000	5,853	0	5,853	4,870	0	4,870
4	3	7-Eleven	Dec. '92	5,789	2,759	3,030	5,989	2,944	3,045	6,193	3,135	3,058
5	5	Burger King	Sept. '92	5,675	850	4,825	5,655	926	4,729	5,427	875	4,552
6	6	KFC	Dec. '92	5,116	1,900	3,216	5,056	1,870	3,186	5,006	1,389	3,617
7	7	Domino's Pizza	Dec. '92	4,860	1,050	3,220	4,947	1,192	3,266	5,004	1,225	3,779
8	8	Dairy Queen	Nov. '92	4,665	5	4,660	4,630	5	4,625	4,620	3	4,617
9	11	Little Caesars Pizza	Dec. '92	4,575	1,525	3,050	3,650	1,217	2,433	3,173	1,058	2,115
10	12	Taco Bell	Dec. '92	3,908	2,338	1,570	3,616	2,118	1,498	3,227	1,851	1,376
11	10	Wendy's	Jan. '93	3,832	1,166	2,666	3,804	1,162	2,642	3,727	1,070	2,657
12	9	Hardee's	Dec. '92	3,750	900	2,850	4,240	1,205	3,035	4,022	1,105	2,917
13	16	Marriott Management Services	Dec. '92	3,014	3,014	0	2,303	2,303	0	2,200	2,200	0
14	13	ARA Services/ARASERVE	Sept. '92	2,726	2,726	0	2,700	2,700	0	2,600	2,600	0
15	14	Baskin-Robbins	Feb. '93	2,588	28	2,560	2,390	28	2,362	2,287	56	2,231
16	15	Arby's	Dec. '92	2,513	275	2,238	2,382	262	2,120	2,301	249	2,052
17	17	Dunkin' Donuts	Feb. '93	2,368	2	2,366	2,009	2	2,007	1,729	2	1,727
18	21	Holiday Inns	Oct. '92	1,658	205	1,453	1,578	177	1,401	1,578	177	1,401
19	20	Canteen Corp.	Dec. '92	1,649	1,649	0	1,700	1,700	0	1,750	1,750	0
20	19	TCBY	Nov. '92	1,520	1,386	136	1,710	1,574	136	2,017	1,847	170
21	18	K mart	Jan. '93	1,500	1,500	0	1,796	1,796	0	1,787	1,787	0
22	22	Long John Silver's	July '92	1,487	1,009	478	1,437	989	448	1,439	998	441
23	23	Denny's	Dec. '92	1,402	1,026	376	1,322	996	326	1,294	992	302
24	24	Sonic Drive-In	Aug. '92	1196	91	1105	1112	80	1034	1043	69	972
25	25	Service America Corp.	Mar. '93	1,150	1,150	0	1,100	1,100	0	1,200	1,200	0
26	26	Jack in the Box	Sept. '92	1,145	725	420	1,089	684	405	1,035	650	385
27	27	Church's Fried Chicken	Dec. '92	1,021	671	359	1,042	684	358	1,059	694	365
28	28	Big Boy	Dec. '92	940	144	796	925	140	781	946	140	806
29	29	Morrison Custom Management	June '93	891	891	0	836	836	0	745	745	0
30	33	Shoney's	Oct. '92	845	327	518	775	313	462	720	293	427
31	30	Popeyes Chicken	Dec. '92	825	135	690	808	130	678	778	129	649
32	71	Roy Rogers	Dec. '92	784	410	374	219	100	119	648	363	285
33	31	Friendly's Restaurants	Dec. '92	775	775	0	780	780	0	795	795	0
34	32	Ponderosa	Feb. '93	752	382	370	775	400	375	740	400	340
35	38	Ramada Inn	Dec. '92	649	0	649	600	0	600	508	0	508
36	35	Captain D's	Oct. '92	648	358	290	636	358	278	628	357	271
37	34	Sizzler	April '93	645	250	395	638	245	390	628	209	419
38	39	Gardner Merchant Food Services	Feb. '93	638	638	0	598	598	0	575	575	0
39	36	Waffle House	June '93	635	285	350	620	270	350	600	250	350
40	37	Carl's Jr.	Jan. '93	627	384	243	610	414	196	573	424	149
41	42	Sbarro, The Italian Eatery	Jan. '93	621	480	141	530	412	118	457	348	109
42	41	Red Lobster	May '93	600	600	0	550	550	0	510	510	0
43	40	Round Table Pizza	June '93	568	1	567	568	1	567	566	0	566
44	44	International House of Pancakes	Dec. '92	523	46	477	499	55	444	490	61	429
45	43	Godfather's Pizza	May '93	515	156	359	512	163	349	506	165	341
46	47	Chick-fil-A	Dec. '92	485	485	0	460	460	0	441	441	0
47	45	Daka Inc.	June '93	480	480	0	480	480	0	475	475	0
48	46	Whataburger	Sept. '93	480	301	179	475	296	179	475	296	179
49	48	Golden Corral	Dec. '92	450	360	90	450	385	65	445	397	48
50	56	Rally's	Dec. '92	450	175	275	332	116	216	257	93	164
51	50	Marriott Hotels & Resorts	Dec. '92	433	373	60	404	349	55	380	325	55
52	49	Perkins Restaurants	Dec. '92	410	118	292	407	117	290	399	113	286
53	52	Restaura Inc.	Dec. '92	405	405	0	400	400	0	382	382	0
54	53	Seiler Corp.	Aug. '92	400	400	0	400	400	0	400	400	0
55	55	Pizza Inn	June '93	393	7	386	365	17	348	375	26	349
56	57	Olive Garden	May '93	380	380	0	320	320	0	253	253	0
57	51	Western Sizzlin'	Dec. '92	371	5	366	402	5	397	442	5	437
58	58	The Wood Co.	Dec. '92	330	330	0	305	305	0	290	290	0
59	54	Bonanza	Feb. '93	315	2	313	375	2	373	427	2	425
60	62	Chili's Grill & Bar	June '93	314	241	73	275	217	58	244	194	50
61	59	Sheraton Hotels	Dec. '92	301	51	250	289	50	239	292	50	242
62	64	Show Biz/Chuck E. Cheese's	Jan. '93	298	184	114	272	159	113	267	144	123
63	63	Bob Evans Farms	April '93	297	297	0	273	273	0	255	255	0
64	60	ServiceMaster Food Management Services	Dec. '92	288	288	0	280	280	0	265	265	0
65	61	Del Taco	Dec. '92	286	206	80	277	203	74	274	200	74
66	67	Krystal	Dec. '92	270	231	39	247	231	16	235	232	3
67	66	White Castle	Dec. '92	267	267	0	257	257	0	249	249	0
68	65	Hilton Hotels	Dec. '92	247	49	198	257	49	208	262	46	216
69	74	Applebee's Neighborhood Grill & Bar	Dec. '92	245	33	212	191	25	166	160	27	133
70	68	Village Inn	Oct. '92	226	120	106	228	122	106	228	124	104
71	70	Chi-Chi's	Sept. '92	225	185	40	220	177	43	208	164	44
72	69	Bennigan's	June '93	223	223	0	223	223	0	223	223	0
73	72	Quincy's	Dec. '92	221	221	0	216	216	0	212	212	0
74	73	Ground Round	Sept. '92	208	159	49	198	154	44	199	154	45
75	76	Ryan's Family Steak House	Dec. '92	203	165	38	177	142	35	159	126	33
76	78	T.G.I.Friday's	Dec. '92	195	130	65	168	120	48	151	119	32
77	75	Bakers Square	Oct. '92	185	185	0	179	179	0	167	167	0
78	77	Radisson Hotels	Dec. '92	180	143	37	170	140	35	154	126	33
79	83	Luby's Cafeteria	Aug. '92	162	162	0	150	150	0	137	137	0
80	79	Morrison's	June '93	160	160	0	163	163	0	171	171	0
81	80	Steak and Ale	June '93	157	157	0	158	158	0	158	158	0
82	85	Ruby Tuesday	June '92	154	154	0	133	133	0	110	110	0
83	86	Cracker Barrel Old Country Store	July '93	152	152	0	127	127	0	106	106	0
84	82	ARA Leisure Services	Sept. '92	150	150	0	150	150	0	145	145	0
85	81	Marie Callender's	Dec. '92	149	60	89	157	63	94	161	61	100
86	84	Piccadilly	June '93	137	137	0	142	142	0	143	143	0
87	88	Tony Roma's - A Place for Ribs	Feb. '93	133	17	116	122	17	105	116	16	100
88	87	Furr's Cafeterias	Jan. '93	125	125	0	125	125	0	125	125	0
89	89	El Torito	Dec. '92	110	102	8	113	105	8	117	111	6
90	90	Ogden Allied Entertainment Services	Dec. '92	110	110	0	108	108	0	102	102	0
91	91	Hyatt Hotels	Jan. '93	103	103	0	106	106	0	108	108	0
92	92	Stuart Anderson's Black Angus	Dec. '92	89	89	0	87	87	0	84	84	0
93	93	Host International	Dec. '92	63	63	0	60	60	0	56	56	0
94	94	Dobbs International	Dec. '92	53	53	0	52	52	0	52	52	0
95	95	Caterair International	Dec. '92	46	46	0	46	46	0	45	45	0
96	96	Sky Chefs	Dec. '92	37	37	0	36	36	0	35	35	0
97	97	Westin Hotels	Dec. '92	35	35	0	34	34	0	33	33	0
98	98	Dobbs Houses	Dec. '92	28	28	0	28	28	0	25	25	0
99	99	Disney theme parks and hotels	Sept. '92	13	13	0	13	13	0	13	13	0
100	100	Six Flags amusement parks	Dec. '92	7	7	0	7	7	0	7	7	0
		TOTAL:		117,553	49,096	67,878	112,452	47,716	64,247	108,848	46,454	62,353

Source: NRN Research

TOP 100 CHAINS
RANKED BY GROWTH IN TOTAL NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	100	Roy Rogers	Dec. '92	257.99	–66.20
2	1	Rally's	Dec. '92	35.54	29.18
3	38	Marriott Management Services	Dec. '92	30.87	4.68
4	6	Applebee's Neighborhood Grill & Bar	Dec. '92	28.27	19.38
5	10	Little Caesars Pizza	Dec. '92	25.34	15.03
6	5	Cracker Barrel Old Country Store	July '93	19.69	19.81
7	4	Subway	Dec. '92	19.60	20.18
8	2	Olive Garden	May '93	18.75	26.48
9	8	Dunkin' Donuts	Feb. '93	17.87	16.19
10	9	Sbarro, The Italian Eatery	Jan. '93	17.17	15.97
11	16	T.G.I.Friday's	Dec. '92	16.07	11.26
12	3	Ruby Tuesday	June '92	15.79	20.91
13	15	Ryan's Family Steak House	Dec. '92	14.69	11.32
14	11	Chili's Grill & Bar	June '93	14.18	12.70
15	58	Show Biz/Chuck E. Cheese's	Jan. '93	9.56	1.87
16	34	Krystal	Dec. '92	9.31	5.11
17	19	Red Lobster	May '93	9.09	7.84
18	20	Shoney's	Oct. '92	9.03	7.64
19	33	Tony Roma's—A Place for Ribs	Feb. '93	9.02	5.17
20	23	Bob Evans Farms	April '93	8.79	7.06
21	39	Baskin-Robbins	Feb. '93	8.28	4.50
22	32	The Wood Co.	Dec. '92	8.20	5.17
23	7	Ramada Inn	Dec. '92	8.17	18.11
24	13	Taco Bell	Dec. '92	8.08	12.05
25	18	Luby's Cafeteria	Aug. '92	8.00	9.49
26	91	Pizza Inn	June '93	7.67	– 2.67
27	24	Sonic Drive-In	Aug. '92	7.55	6.62
28	26	Marriott Hotels & Resorts	Dec. '92	7.18	6.32
29	42	Gardner Merchant Food Services	Feb. '93	6.69	4.00
30	12	Morrison Custom Management	June '93	6.58	12.21
31	54	Denny's	Dec. '92	6.05	2.16
32	17	Radisson Hotels	Dec. '92	5.88	10.39
33	46	Arby's	Dec. '92	5.50	3.52
34	40	Chick-fil-A	Dec. '92	5.43	4.31
35	31	Jack in the Box	Sept. '92	5.14	5.22
36	74	Holiday Inns	Oct. '92	5.07	0.00
37	81	Ground Round	Sept. '92	5.05	– 0.50
38	22	Host International	Dec. '92	5.00	7.14
39	59	International House of Pancakes	Dec. '92	4.81	1.84
40	96	Service America Corp.	Mar. '93	4.55	– 8.33
41	83	Sheraton Hotels	Dec. '92	4.15	– 1.03
42	50	White Castle	Dec. '92	3.89	3.21
43	35	Pizza Hut	Dec. '92	3.85	4.92
44	80	Long John Silver's	July '92	3.48	– 0.14
45	21	Bakers Square	Oct. '92	3.35	7.19
46	48	McDonald's	Dec. '92	3.27	3.45
47	64	Del Taco	Dec. '92	3.25	1.09
48	51	Westin Hotels	Dec. '92	2.94	3.03
49	29	ServiceMaster Food Mgmt. Servs.	Dec. '92	2.86	5.66
50	25	Carl's Jr.	Jan. '93	2.79	6.46
51	52	Sky Chefs	Dec. '92	2.78	2.86
52	49	Waffle House	June '93	2.42	3.33
53	57	Quincy's	Dec. '92	2.31	1.89
54	45	Stuart Anderson's Black Angus	Dec. '92	2.30	3.57
55	28	Chi-Chi's	Sept. '92	2.27	5.77
56	43	Popeyes Chicken	Dec. '92	2.10	3.86
57	72	Dobbs International	Dec. '92	1.92	0.00
58	61	Captain D's	Oct. '92	1.89	1.27
59	27	Ogden Allied Entertainment Services	Dec. '92	1.85	5.88
60	89	Big Boy	Dec. '92	1.62	– 2.22
61	37	Restaura Inc.	Dec. '92	1.25	4.71
62	66	KFC	Dec. '92	1.19	1.00
63	60	Sizzler	April '93	1.10	1.59
64	79	Whataburger	Sept. '93	1.05	0.00
65	44	ARA Services/ARASERVE	Sept. '92	0.96	3.85
66	69	Dairy Queen	Nov. '92	0.76	0.22
67	56	Perkins Restaurants	Dec. '92	0.74	2.01
68	55	Wendy's	Jan. '93	0.74	2.07
69	62	Godfather's Pizza	May '93	0.59	1.19
70	41	Burger King	Sept. '92	0.35	4.20
71	47	ARA Leisure Services	Sept. '92	0.00	3.45
72	70	Bennigan's	June '93	0.00	0.00
73	53	Caterair International	Dec. '92	0.00	2.22
74	65	Daka Inc.	June '93	0.00	1.05
75	71	Disney theme parks and hotels	Sept. '92	0.00	0.00
76	14	Dobbs Houses	Dec. '92	0.00	12.00
77	73	Furr's Cafeterias	Jan. '93	0.00	0.00
78	63	Golden Corral	Dec. '92	0.00	1.12
79	68	Round Table Pizza	June '93	0.00	0.35
80	75	Seiler Corp.	Aug. '92	0.00	0.00
81	76	Six Flags amusement parks	Dec. '92	0.00	0.00
82	77	Steak and Ale	June '93	– 0.63	0.00
83	87	Friendly's Restaurants	Dec. '92	– 0.64	– 1.89
84	78	Village Inn	Oct. '92	– 0.88	0.00
85	84	Domino's Pizza	Dec. '92	– 1.76	– 1.14
86	95	Morrison's	June '93	– 1.84	– 4.68
87	85	Church's Fried Chicken	Dec. '92	– 2.02	– 1.61
88	94	El Torito	Dec. '92	– 2.65	– 3.42
89	86	Hyatt Hotels	Jan. '93	– 2.83	– 1.85
90	36	Ponderosa	Feb. '93	– 2.97	4.73
91	92	Canteen Corp.	Dec. '92	– 3.00	– 2.86
92	93	7-Eleven	Dec. '92	– 3.34	– 3.29
93	82	Piccadilly	June '93	– 3.52	– 0.70
94	88	Hilton Hotels	Dec. '92	– 3.89	– 1.91
95	90	Marie Callender's	Dec. '92	– 5.10	– 2.48
96	97	Western Sizzlin'	Dec. '92	– 7.71	– 9.05
97	99	TCBY	Nov. '92	– 11.11	–15.22
98	30	Hardee's	Dec. '92	– 11.56	5.42
99	98	Bonanza	Feb. '93	– 16.00	–12.18
100	67	K mart	Jan. '93	– 16.48	0.50

*Projected
Source: NRN Research

TOP 100 CHAINS RANKED BY GROWTH IN U.S. FRANCHISE UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	Percentage Change '91 vs. '90
1	60	Roy Rogers	Dec. '92	214.29	– 58.25
2	1	Krystal	Dec. '92	143.75	433.33
3	3	Golden Corral	Dec. '92	38.46	35.42
4	2	T.G.I.Friday's	Dec. '92	35.42	50.00
5	7	Applebee's Neighborhood Grill & Bar	Dec. '92	27.71	24.81
6	5	Rally's	Dec. '92	27.31	31.71
7	11	Chili's Grill & Bar	June '93	25.86	16.00
8	12	Little Caesars Pizza	Dec. '92	25.36	15.04
9	6	Carl's Jr.	Jan. '93	23.98	31.54
10	8	Subway	Dec. '92	19.60	20.18
11	15	Sbarro, The Italian Eatery	Jan. '93	19.49	8.26
12	10	Dunkin' Donuts	Feb. '93	17.89	16.21
13	17	Denny's	Dec. '92	15.34	7.95
14	16	Shoney's	Oct. '92	12.12	8.20
15	48	Ground Round	Sept. '92	11.36	– 2.22
16	42	Pizza Inn	June '93	10.92	– 0.29
17	24	Tony Roma's—A Place for Ribs	Feb. '93	10.48	5.00
18	39	Marriott Hotels & Resorts	Dec. '92	9.09	0.00
19	21	Ryan's Family Steak House	Dec. '92	8.57	6.06
20	22	Baskin-Robbins	Feb. '93	8.38	5.87
21	9	Ramada Inn	Dec. '92	8.17	18.11
22	37	Del Taco	Dec. '92	8.11	0.00
23	28	International House of Pancakes	Dec. '92	7.43	3.50
24	19	Sonic Drive-In	Aug. '92	6.87	6.38
25	33	Long John Silver's	July '92	6.70	1.59
26	20	Radisson Hotels	Dec. '92	5.71	6.06
27	29	Arby's	Dec. '92	5.57	3.31
28	14	Taco Bell	Dec. '92	4.81	8.87
29	46	Sheraton Hotels	Dec. '92	4.60	– 1.24
30	30	Captain D's	Oct. '92	4.32	2.58
31	38	Holiday Inns	Oct. '92	3.71	0.00
32	23	Jack in the Box	Sept. '92	3.70	5.19
33	18	McDonald's	Dec. '92	3.25	7.68
34	31	Godfather's Pizza	May '93	2.87	2.35
35	27	Burger King	Sept. '92	2.03	3.89
36	50	Big Boy	Dec. '92	1.92	– 3.10
37	25	Popeyes Chicken	Dec. '92	1.77	4.47
38	45	Pizza Hut	Dec. '92	1.73	– 0.83
39	53	Sizzler	April '93	1.28	– 6.92
40	56	KFC	Dec. '92	0.94	– 11.92
41	44	Wendy's	Jan. '93	0.91	– 0.56
42	54	Show Biz/Chuck E. Cheese's	Jan. '93	0.88	– 8.13
43	36	Dairy Queen	Nov. '92	0.76	0.17
44	34	Perkins Restaurants	Dec. '92	0.69	1.40
45	47	Church's Fried Chicken	Dec. '92	0.28	– 1.92
46	4	El Torito	Dec. '92	0.00	33.33
47	35	Round Table Pizza	June '93	0.00	0.18
48	59	TCBY	Nov. '92	0.00	– 20.00
49	32	Village Inn	Oct. '92	0.00	1.92
50	40	Waffle House	June '93	0.00	0.00
51	41	Whataburger	Sept. '93	0.00	0.00
52	43	7-Eleven	Dec. '92	– 0.49	– 0.43
53	13	Ponderosa	Feb. '93	– 1.33	10.29
54	58	Domino's Pizza	Dec. '92	– 1.41	– 13.58
55	51	Hilton Hotels	Dec. '92	– 4.81	– 3.70
56	52	Marie Callender's	Dec. '92	– 5.32	– 6.00
57	26	Hardee's	Dec. '92	– 6.10	4.05
58	49	Chi – Chi's	Sept. '92	– 6.98	– 2.27
59	55	Western Sizzlin'	Dec. '92	– 7.81	– 9.15
60	57	Bonanza	Feb. '93	– 16.09	– 12.24

Note: The 40 Top 100 chains not represented on this table do not franchise.

*Projected

Source: NRN Research

TOP 100 Q & A

Publication of the Top 100 issue usually tests the durability of NRN's switchboard by drawing a flood of inquiries about the rankings and how they were drafted. What follows are answers to some of the most frequently asked questions.

Q: Why wasn't my chain or company included in the listings?
A: Unless a chain generated at least $195 million in domestic systemwide sales, it will not appear on any of the Top 100 Chains listings. Similarly, a company had to generate at least $108.1 million in foodservice revenues — not total intake — to appear on the Top 100 Companies ranking.

Q: But my chain has more units than some of the chains included on the Top 100 ranking by number of units. Why wasn't it included on that lists?
A: Only the Top 100 chains, as ranked by systemwide sales, are ranked by such other criteria as number of units and sales per unit. In other words, the universe for those rankings is limited to those chains that appear on Top 100 Chains By Systemwide Sales ranking.

Q: My chain's per-unit sales average exceeds my competitor's averages, yet you listed them on segment rankings and omitted us. Shouldn't we be on those rankings?
A: Here again, only those chains appearing on the Top 100 chains ranking are included in the segment breakouts.

Q: My chain appears on every other industry sales rankings. How could it qualify for those and yet not make your list?
A: Each ranking uses different criteria. We believe that the Top 100 is the industry's most reliable listing because of our rigid adherence to strict standards.

Q: My company's revenues far exceed the tally for many of the chains on the Top 100 Companies ranking, and yet you omitted my concern. Why?
A: Companies were included on the Top 100 Companies list because of their foodservice revenues, not their total revenues. Proceeds from all other types of businesses — including distribution operations — were excluded from the figures.

Q: My chain's domestic systemwide sales are indeed higher than the totals for other chains on the Top 100 Chains ranking. Why wasn't it included?
A: Perhaps it should have been. We might have overlooked it during our research, or might have underestimated your growth in our projections for the coming year.

In any case, please help us avoid our mistake next year by providing us with the name and address of someone we can contact for information. Because the preparation of next year's Top 100 section will begin soon, please promptly send the information to: Top 100 Editor, Nation's Restaurant News, 425 Park Avenue, New York, N.Y. 10022.

Q: How do systemwide sales differ from revenues?
A: Systemwide sales consist of the intake of every company-owned and franchised outlet within a chain or multi-unit operation such as a contract feeder. Revenues are limited to a company's intake from its company-run units and franchise royalties.

For example, the intake of every McDonald's unit in the United States constitutes that chain's systemwide sales. But revenues for McDonald's Corp. are limited to the intake of company units and franchise royalties.

Q: What is reflected in the share-of-market figures?
A: Within our context, "share of market" means "share of the Top 100 sales totals." In other words, if a chain has a 3-percent share of market, that chain accounted for 3 percent of the systemwide-sales total for all chains included in the Top 100 ranking. It does not mean that the chain garnered 3 percent of total industry sales.

In the segment charts, the share-of-market chart lists major players' proportion of the sales generated by Top 100 chains competing within that sector.

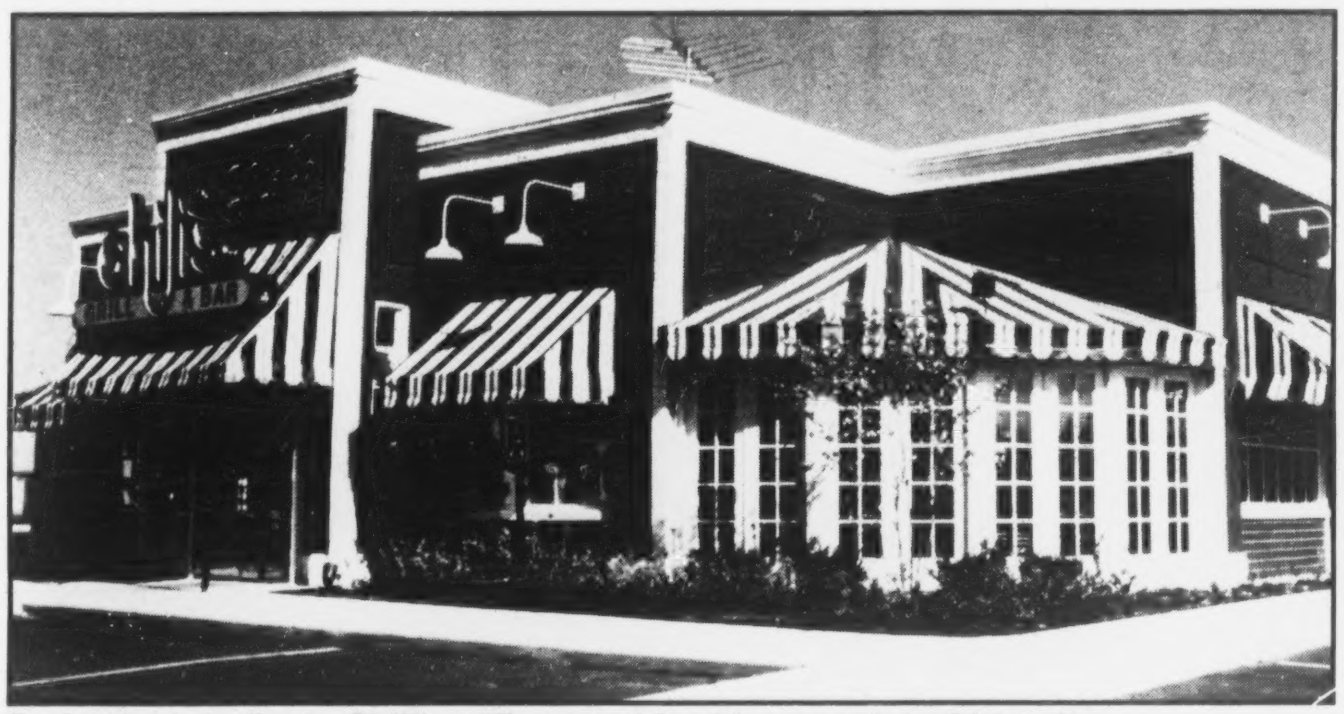
Q: Where can I write to air comments and criticisms of the Top 100 rankings?
A: Address correspondence to:

Top 100 Editor, Nation's Restaurant News,
425 Park Avenue, New York, N.Y. 10022.

Dinner houses still ride expansion wave

Expansion by the top eight chains offsets the segment's low same-store gains, making the casual, full-service group the growth leader of the Top 100

by Alan Liddle



Projections indicate Chili's will expand by 14 percent, to 314 units.

As if caught up in the election-year spirit, dinner-house operators in the Top 100 are counting greenback ballots cast in their restaurants and tallying a recession-busting mandate to grow at a double-digit pace.

Nowhere among the segments analyzed in Nation's Restaurant News' annual study do the polls and projections forecast a greater rate of expansion than that predicted for the Top 100's group of 13 dinner-house chains.

In recent years analysts have characterized the casual, full-service segment as best positioned to attract aging baby boomers in search of menu diversity, tolerance of children, grown-up ambience and moderate prices.

While the growth rates of more than half of the dinner-house chains in the this year's Top 100 suggest they are living up to that billing, others are struggling.

Troubles are besetting several of the segment's best-known players, including the Mexican food chains El Torito and Chi-Chi's Inc., and the highly leveraged operators of some older concepts, among which are Stuart Anderson's Black Angus, Steak and Ale, and Bennigan's.

Bolstered by the ambitious expansion plans of Olive Garden, Applebee's Neighborhood Grill & Bar, Red Lobster, Chili's Grill & Bar, T.G.I. Friday's and Ruby Tuesday, the dinner-house contingent this year is expected to increase its total domestic base by 10 percent, to 3,033 restaurants. Last year's rate of unit growth was 8.9 percent.

If projections for 1992 hold true, the Top 100's dinner-house segment will see its total annual sales fattened by 10.3 percent, to $6.6 billion — a slight falloff from last year's impressive recession-time growth rate of 10.5 percent.

Most of the dinner-house chains say their sales gains in the current year will be closely related to the successful attainment of expansion goals, since the economy makes substantial jumps in same-store sales unlikely.

Data from the chains and analysts suggest that the 13 chains' average sales per unit will rise by a mere seven-tenths of a percent this year, to about $2.2 million. Nevertheless, that gain represents a considerable improvement from last year's 1.6-percent decline in the segmentwide average.

"Consumer demographic changes are such that the casual dinner houses are going to benefit from the aging of the baby boom population," observes Nancy Kruse, a principal of the Technomic research organization.

Michael Mueller, managing director of Montgomery Securities in San Francisco, agrees that "the aging of the population" is of great importance to dinner-house operators, as is the movement of consumers between segments.

"Chains like Applebee's, Chili's and [Brinker International's] Macaroni Grill to some extent will get trading down [from more expensive restaurants]," Mueller points out, "and they are going to get some trading up and out of fast food."

Patrons drawn to the big-name dinner houses "are not spending an arm and a leg, but they are getting better food than they'd get in a fast-food restaurant or than they can cook at home," Mueller adds. "And they are getting all that in a casual atmosphere, which is what I think people are looking for today, especially that [baby boomer] group."

"I think the roll [dinner houses] were on last year will probably continue," explains Millie Lemajich, an analyst with the RECOUNT division of Restaurant Consulting Group of Evanston, Ill. "What we're seeing with the majority of dinner houses is that they have added, in percentage terms, more than the rest of the industry."

Olive Garden, backed by the considerable resources of parent General Mills Inc., is expected to lead all rivals in the expansion of restaurants, growing by 19 percent, or 60 units, to 380.

Taking aggressive company-store development and franchise sales into consideration, projections call for Applebee's to expand by 29 percent, or 54 units, to 245 restaurants.

Red Lobster watchers are counting on the segment leader to open the dinner-house segment's third-largest number of restaurants this year, 50, as it grows by a projected 9 percent on the domestic front, to 600 restaurants.

Projections indicate Chili's will expand by 14 percent, to 314 units; T.G.I. Friday's will grow by 16 percent, to 195 units; Ruby Tuesday will stretch by 16 percent, to 154 restaurants; Tony Roma's will open 9-percent more stores, for a total of 133; and Ground Round will expand by 9 percent, to 154 units. The other Top 100 dinner-house entries are expected to add new units at a rate of 2 percent or less in the current year.

While dinner-house chains might be well positioned to capitalize on the "graying of America," they are subject to many of the same competitive pressures and realities that conspire to make operating restaurants in any segment an around-the-clock challenge.

Like their counterparts in other segments, dinner-house operators are finding it necessary to continually offer "value" through discounts, enhanced service or limited-time promotions of menu novelties.

Among examples of the trend are T.G.I. Friday's "2 for $20 TIME" offer, which lets a party of two split an appetizer and dessert and order two entrées for $20. El Torito, meanwhile, recently began making guacamole to order at tableside. At Applebee's diners find the ongoing "Summertime-Summerfare" menu promotion of special under-$7 dishes such as a steak Caesar salad, "sizzling stir-fry" and "veggie patch pizza."

Red Lobster, the segment-leading

*(See **DINNER HOUSES**, page 74)*

DINNER-HOUSE CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, In Millions) Current*	Last Full	Prior
1	1	Red Lobster	May '93	$1,683.6	$1,537.0	$1,400.0
2	2	Olive Garden	May '93	995.1	807.0	613.0
3	3	Chili's Grill & Bar	June '93	665.0	574.8	486.3
4	4	T.G.I.Friday's	Dec. '92	558.0	505.1	467.9
5	5	Bennigan's	June '93	468.4	463.8	459.2
6	6	Chi-Chi's	Sept. '92	434.9	438.7	428.6
7	7	Applebee's Neighborhood Grill & Bar	Dec. '92	374.3	289.6	228.2
8	8	Ground Round	Sept. '92	300.0	286.8	283.9
9	13	Ruby Tuesday	June '92	241.1	201.4	158.4
10	9	El Torito	Dec. '92	232.7	241.1	258.4
11	10	Stuart Anderson's Black Angus	Dec. '92	223.4	220.6	221.4
12	11	Steak and Ale	June '93	221.9	219.0	216.8
13	12	Tony Roma's—A Place for Ribs	Feb. '93	210.5	206.8	198.3
		TOTAL:		$6,608.9	$5,991.7	$5,420.4

*Projected
Source: NRN Research

DINNER-HOUSE CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	SALES GROWTH Percentage Change '92 vs. '91*	'91 vs. '90
1	3	Applebee's Neighborhood Grill & Bar	Dec. '92	29.25	26.91
2	1	Olive Garden	May '93	23.31	31.65
3	2	Ruby Tuesday	June '92	19.71	27.15
4	4	Chili's Grill & Bar	June '93	15.69	18.20
5	6	T.G.I.Friday's	Dec. '92	10.47	7.96
6	5	Red Lobster	May '93	9.54	9.79
7	9	Ground Round	Sept. '92	4.60	1.02
8	7	Tony Roma's - A Place for Ribs	Feb. '93	1.79	4.29
9	10	Steak and Ale	June '93	1.32	1.01
10	12	Stuart Anderson's Black Angus	Dec. '92	1.27	– 0.36
11	11	Bennigan's	June '93	0.99	1.00
12	8	Chi-Chi's	Sept. '92	– 0.87	2.36
13	13	El Torito	Dec. '92	– 3.48	– 6.70
		AVERAGE:		8.74	9.56

*Projected
Source: NRN Research

DINNER-HOUSE CHAINS RANKED BY TO 100 MARKET SHARE

(share of aggregate sales of dinner-house chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	Red Lobster	May '93	25.47%	25.65%	25.83%
2	2	Olive Garden	May '93	15.06	13.47	11.31
3	3	Chili's Grill & Bar	June '93	10.06	9.59	8.97
4	4	T.G.I.Friday's	Dec. '92	8.44	8.43	8.63
5	5	Bennigan's	June '93	7.09	7.74	8.47
6	6	Chi-Chi's	Sept. '92	6.58	7.32	7.91
7	7	Applebee's Neighborhood Grill & Bar	Dec. '92	5.66	4.83	4.21
8	8	Ground Round	Sept. '92	4.54	4.79	5.24
9	13	Ruby Tuesday	June '92	3.65	3.36	2.92
10	9	El Torito	Dec. '92	3.52	4.02	4.77
11	10	Stuart Anderson's Black Angus	Dec. '92	3.38	3.68	4.08
12	11	Steak and Ale	June '93	3.36	3.66	4.00
13	12	Tony Roma's—A Place for Ribs	Feb. '93	3.19	3.45	3.66
		TOTAL:		100.00%	100.00%	100.00%

*Projected
Source: NRN Research

DINNER-HOUSE CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands) Current*	Last Full	Prior
1	1	T.G.I.Friday's	Dec. '92	$3,460.0	$3,360.0	$3,450.0
2	2	Red Lobster	May '93	2,900.0	2,910.0	3,000.0
3	3	Olive Garden	May '93	2,822.0	2,800.0	2,772.0
4	4	Stuart Anderson's Black Angus	Dec. '92	2,556.5	2,595.5	2,635.0
5	6	Chili's Grill & Bar	June '93	2,310.0	2,265.0	2,218.0
6	5	Chi-Chi's	Sept. '92	2,200.0	2,310.0	2,440.0
7	8	Bennigan's	June '93	2,100.7	2,079.8	2,059.3
8	7	El Torito	Dec. '92	2,022.2	2,095.5	2,246.0
9	9	Tony Roma's—A Place for Ribs	Feb. '93	1,800.0	1,800.0	1,800.0
10	10	Applebee's Neighborhood Grill & Bar	Dec. '92	1,795.7	1,697.1	1,700.0
11	11	Ruby Tuesday	June '92	1,700.0	1,600.0	1,700.0
12	12	Ground Round	Sept. '92	1,465.0	1,448.0	1,427.0
13	13	Steak and Ale	June '93	1,404.1	1,390.2	1,376.4
		AVERAGE:		$2,195.1	$2,180.9	$2,217.2

*Projected
Source: NRN Research

Dinner houses still ride expansion wave

(Continued from page 71)

chain with projected sales of about $1.7 billion for the current fiscal year, found out that competing on the "value" front can be tricky. After adding a 22-item "value" menu of dishes priced below $9.95, the chain discovered that its margins were being adversely affected by the back-of-the-house complexities and a shift in the menu mix toward costlier items.

In another foiled attempt to enhance its reputation, Red Lobster had servers deliver warm garlic-cheese rolls to guests as soon as they sat down. But a subsequent decline in appetizer orders prompted the chain to revise the policy so that the rolls arrived after patrons were quizzed about their first-course preferences.

Television continues to be the advertising medium of choice for the largest dinner-house players.

Red Lobster, Olive Garden and Chili's — all owned by publicly traded companies — are known to spend most of their advertising monies developing and airing commercials for television. Chili's president, Ronald McDougall, has referred to television as the "workhorse of the future."

Applebee's Neighborhood Grill & Bar still has ways to go before it achieves the market penetration and capital resources needed for a cost-effective national television crusade.

Nevertheless, Applebee's vice president of marketing, Robert Martin, indicates that the chain has found a successful way of reaching a national audience: a print campaign in USA Today coupled with commercials on cable television stations that are "hand picked using zip codes."

The promise of greater marketing success through television is prompting some chains to take extraordinary steps.

"To increase our ability to use television, we have converted nine restaurants that were not branded El Torito into El Torito units," Mike Casey, the chain's president, reports. Using conversions to achieve greater penetration in key markets increases the cost effectiveness of television, and that "will help us use more of its power moving forward," he says.

Such privately held chains as Bennigan's, which has remained at the 223-unit level for three years, focus much of their marketing efforts on selling patrons once they're inside. Point-of-purchase materials urging diners to "split a dessert" or try one of the chain's new fruit-flavored Pina Colada drinks vie with silverware and paper napkins for space on Bennigan's' table tops.

In addition to intramural marketing battles, the big dinner-house operators are being forced to contend with innovative alliances of independents, who have long been vulnerable to the chains' multiunit marketing clout.

One such alliance is the Blue Plate Society of Greenville, S.C., a group of 16 independents who banded together to fund an anti-chain marketing campaign. It underscored the uniqueness of owner-operated businesses by asking diners, "When was the last time you met Mr. Bennigan's or Ms. Tuesday?"

Taking a cue from their quick-service cousins, some dinner-house opera-

(See DINNER HOUSES, page 120)

FRESH CATCH
LIVE MAINE LOBSTER
THE HALF SHELL
CAJUN STYLE

Red Lobster, along with other segment leaders, is finding benefits in offering discounts, enhanced service or limited-time promotions of menu novelties.

DINNER-HOUSE CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units Current*	Last Full	Prior
1	1	Red Lobster	May '93	600	550	510
2	2	Olive Garden	May '93	380	320	253
3	3	Chili's Grill & Bar	June '93	314	275	244
4	7	Applebee's Neighborhood Grill & Bar	Dec. '92	245	191	160
5	5	Chi-Chi's	Sept. '92	225	220	208
6	4	Bennigan's	June '93	223	223	223
7	6	Ground Round	Sept. '92	208	198	199
8	8	T.G.I.Friday's	Dec. '92	195	168	151
9	9	Steak and Ale	June '93	157	158	158
10	10	Ruby Tuesday	June '92	154	133	110
11	11	Tony Roma's—A Place for Ribs	Feb. '93	133	122	116
12	12	El Torito	Dec. '92	110	113	117
13	13	Stuart Anderson's Black Angus	Dec. '92	89	87	84
		TOTAL:		3,033	2,758	2,533

*Projected
Source: NRN Research

DINNER-HOUSE CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	3	Applebee's Neighborhood Grill & Bar	Dec. '92	28.27	19.38
2	1	Olive Garden	May '93	18.75	26.48
3	5	T.G.I.Friday's	Dec. '92	16.07	11.26
4	2	Ruby Tuesday	June '92	15.79	20.91
5	4	Chili's Grill & Bar	June '93	14.18	12.70
6	6	Red Lobster	May '93	9.09	7.84
7	8	Tony Roma's - A Place for Ribs	Feb. '93	9.02	5.17
8	12	Ground Round	Sept. '92	5.05	– 0.50
9	9	Stuart Anderson's Black Angus	Dec. '92	2.30	3.57
10	7	Chi-Chi's	Sept. '92	2.27	5.77
11	10	Bennigan's	June '93	0.00	0.00
12	11	Steak and Ale	June '93	– 0.63	0.00
13	13	El Torito	Dec. '92	– 2.65	– 3.42
		AVERAGE:		9.04	8.40

*Projected
Source: NRN Research

Family chains battle outside competition

Quick service, casual themers pose threats but family restaurants punch through competitors with service, menu upgrades, streamlined operations

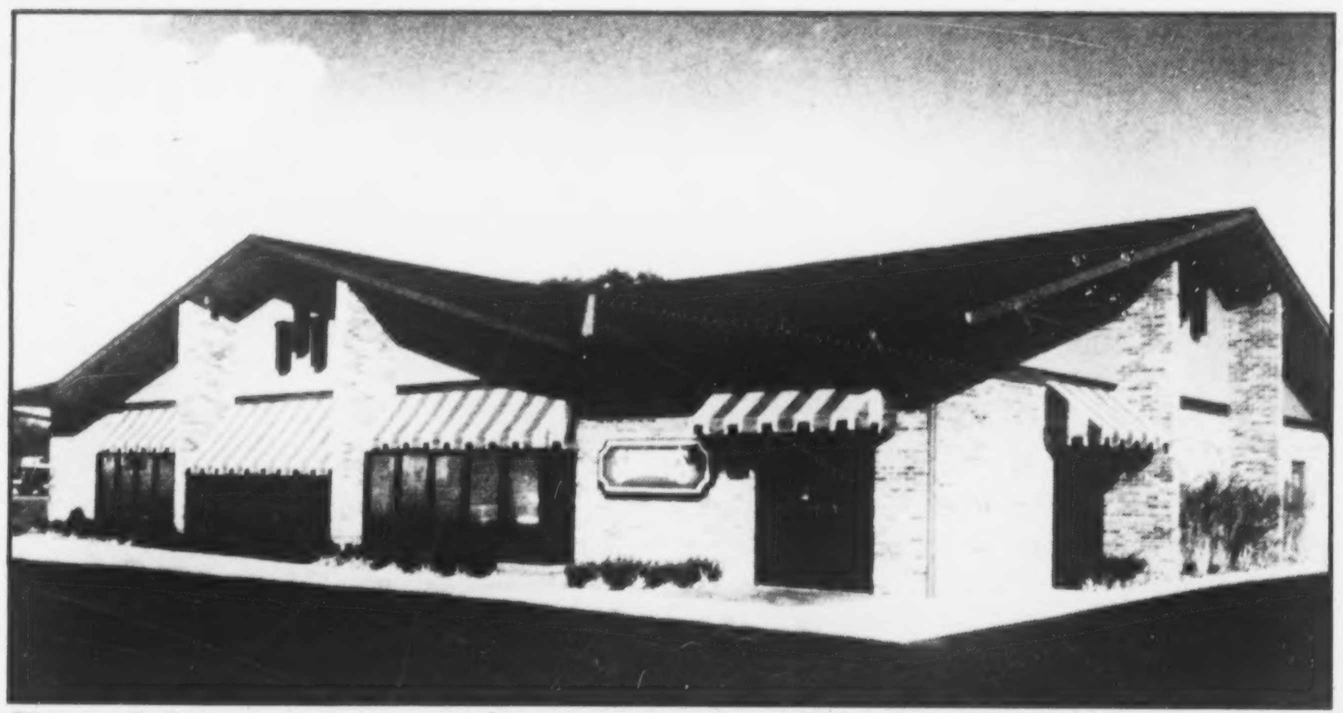
by Bill Carlino

Operating in an economy that remains as suspect as a glass-jawed prizefighter, family restaurants have attempted to punch up traffic counts and sales with revamped menus, refined customer service and streamlined operations.

But the family segment players sometimes find themselves sparring with scrappy rivals from outside their weight classification.

"Although the segment as a whole remains fairly steady, family restaurants are under pressure from the quick-service and casual [dinner-house] categories," says Barry Stouffer, who tracks several family operators for the Nashville, Tenn.-based securities firm of J.C. Bradford & Co. "A 99-cent or 79-cent item at a fast-food chain is pretty compelling. So there's been some instances of crossover from the family restaurants into other segments."

From the standpoint of pricing, family restaurants have catered to demands at both ends of the spectrum, tapping both the bargain allure of fast food and the upper-scale ambience of the casual-themed operators.



Shoney's has gotten a boost from a streamlined field management structure.

Meanwhile, many segment operators have mandated employee training programs and refresher courses on customer service, while extending greater authority to unit-level managers in a "bottom-up" management approach.

At Elias Bros. Restaurants, the operator and franchisor of the 925-unit Big Boy chain, director of marketing Tony Michaels attributes this year's 9-percent growth in average unit sales to an amalgamation of strategies, including new menu items and advertising campaigns.

To lure economical diners, the Warren, Mich.-based chain launched a $2.99 Big Boy special — a burger, fries and coleslaw — and supported it with a national advertising campaign. Other Big Boy meal bargains included a $2.99 "Blockbuster Breakfast," two eggs, sausage, bacon and hash browns and a newspaper.

Big Boy's new afternoon and evening daypart entrées were highlighted by a quartet of broiled chicken dinners under the banner "Taste Ticklin" chicken.

Last fall the chain rolled out a program called "Decide for Yourself," in which customers were encouraged to complete comment cards as a gauge of the perceived service and food quality of Big Boy in comparison with those of its competitors.

On marketing fronts, Elias Bros. recently inked a pact with a Philadelphia-based firm to license its trademarked Big Boy character. However, the sudden passing of industry legend Bob Wian, who founded the Big Boy chain in 1936, added a somber footnote to 1992.

The 845-unit Shoney's chain has been buoyed in 1992 by a streamlined field-management structure and newly empowered unit-level managers who are expected to run their stores from the front of the house rather than from the kitchen. The Nashville, Tenn.-based operator and franchisor pared down the number of its field supervisory personnel from a total of 325 to 240 in order to create a more direct chain of command.

The restructuring at Shoney's was an integral part of the company's ongoing "Project 80-85" — a systemwide drive to raise mystery-shoppers' approval scores to a minimum of 80 percent.

New menus at Shoney's feature top sirloin, chicken and shrimp combinations and a series of "homestyle" dinners. Shoney's also accelerated the rollout of its "Pie Shoppe" component to more than 100 restaurants.

During its annual convention in March, the company unveiled plans to inaugurate a new Shoney's prototype, featuring a more contemporary appearance and upgraded decor package. The first of the "Shoney's of the Future" restaurants is expected to open in late August in the Nashville area.

The chain also divested its Shoney's Inns to a franchisee and strengthened its presence in Chicago and Washington, D.C., through new area-development pacts with franchisees.

An initial public offering, an array of upgraded menu items and a new TV advertising spokesperson constituted the year's highlight reel for Glendale, Calif.-based IHOP Corp.

Intent on forging a reputation for menu items other than its pancake foundation, the 500-unit operator and franchisor of International House of Pancakes restaurants even abbreviated its name to IHOP on new units. Among the chain's new menu items were 12-ounce and 16-ounce T-bone steak entrées available during all three dayparts.

IHOP also unveiled a new advertising campaign featuring its new spokesperson, "Cliff," a regular guy who frequents IHOP with such regularity that during one spot he actually receives his mail while he is eating breakfast.

Village Inn, a 230-unit division of Vicorp Restaurants Inc., has been retool-

*(See **FAMILY**, page 80)*

FAMILY CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions) Current*	Last Full	Prior
1	1	Denny's	Dec. '92	$1,610.0	$1,530.0	$1,479.0
2	2	Shoney's	Oct. '92	1,260.0	1,100.0	991.3
3	3	Big Boy	Dec. '92	1,117.7	1,022.1	1,023.5
4	5	Perkins Restaurants	Dec. '92	539.0	505.0	471.0
5	4	Friendly's Restaurants	Dec. '92	534.7	529.9	525.8
6	7	Cracker Barrel Old Country Store	July '93	489.5	398.0	300.2
7	6	International House of Pancakes	Dec. '92	473.7	413.6	385.1
8	8	Bob Evans Farms	April '93	416.4	361.1	324.9
9	9	Bakers Square	Oct. '92	285.0	278.5	249.0
10	10	Village Inn	Oct. '92	249.0	240.9	240.5
11	11	Marie Callender's	Dec. '92	239.0	236.0	246.0
12	12	Waffle House	June '93	225.7	217.0	195.0
		TOTAL:		$7,439.7	$6,832.2	$6,431.2

*Projected
Source: NRN Research

FAMILY CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	1	Cracker Barrel Old Country Store	July '93	22.99	32.58
2	4	Bob Evans Farms	April '93	15.31	11.14
3	5	Shoney's	Oct. '92	14.55	10.97
4	6	International House of Pancakes	Dec. '92	14.54	7.39
5	11	Big Boy	Dec. '92	9.35	− 0.13
6	7	Perkins Restaurants	Dec. '92	6.73	7.22
7	8	Denny's	Dec. '92	5.23	3.45
8	3	Waffle House	June '93	4.01	11.28
9	10	Village Inn	Oct. '92	3.35	0.18
10	2	Bakers Square	Oct. '92	2.32	11.88
11	12	Marie Callender's	Dec. '92	1.27	− 4.07
12	9	Friendly's Restaurants	Dec. '92	0.90	0.80
		AVERAGE:		8.38	7.72

*Projected
Source: NRN Research

FAMILY CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sales of family chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	Denny's	Dec. '92	21.64%	22.39%	23.00%
2	2	Shoney's	Oct. '92	16.94	16.10	15.41
3	3	Big Boy	Dec. '92	15.02	14.96	15.91
4	5	Perkins Restaurants	Dec. '92	7.24	7.39	7.32
5	4	Friendly's Restaurants	Dec. '92	7.19	7.76	8.18
6	7	Cracker Barrel Old Country Store	July '93	6.58	5.83	4.67
7	6	International House of Pancakes	Dec. '92	6.37	6.05	5.99
8	8	Bob Evans Farms	April '93	5.60	5.29	5.05
9	9	Bakers Square	Oct. '92	3.83	4.08	3.87
10	10	Village Inn	Oct. '92	3.35	3.53	3.74
11	11	Marie Callender's	Dec. '92	3.21	3.45	3.83
12	12	Waffle House	June '93	3.03	3.18	3.03
		TOTAL:		100.00%	100.00%	100.00%

*Projected
Source: NRN Research

FAMILY CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
				Current*	Last Full	Prior
1	1	Cracker Barrel Old Country Store	July '93	$3,519.2	$3,420.0	$3,115.0
2	5	Bob Evans Farms	April '93	1,650.0	1,525.0	1,400.0
3	2	Marie Callender's	Dec. '92	1,650.0	1,650.0	1,650.0
4	3	Bakers Square	Oct. '92	1,620.0	1,631.0	1,555.0
5	4	Shoney's	Oct. '92	1,600.0	1,559.0	1,538.0
6	6	Perkins Restaurants	Dec. '92	1,341.0	1,352.0	1,340.0
7	9	Big Boy	Dec. '92	1,189.0	1,105.0	1,081.0
8	8	Village Inn	Oct. '92	1,180.0	1,144.0	1,093.0
9	7	Denny's	Dec. '92	1,160.0	1,230.0	1,190.0
10	10	International House of Pancakes	Dec. '92	887.0	845.0	801.0
11	11	Friendly's Restaurants	Dec. '92	690.0	659.0	640.0
12	12	Waffle House	June '93	365.0	360.0	355.0
		AVERAGE:		$1,404.3	$1,373.3	$1,313.2

*Projected
Source: NRN Research

FAMILY CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units		
				Current*	Last Full	Prior
1	1	Denny's	Dec. '92	1,402	1,322	1,294
2	2	Big Boy	Dec. '92	940	925	946
3	4	Shoney's	Oct. '92	845	775	720
4	3	Friendly's Restaurants	Dec. '92	775	780	795
5	5	Waffle House	June '93	635	620	600
6	6	International House of Pancakes	Dec. '92	523	499	490
7	7	Perkins Restaurants	Dec. '92	410	407	399
8	8	Bob Evans Farms	April '93	297	273	255
9	9	Village Inn	Oct. '92	226	228	228
10	10	Bakers Square	Oct. '92	185	179	167
11	12	Cracker Barrel Old Country Store	July '93	152	127	106
12	11	Marie Callender's	Dec. '92	149	157	161
		TOTAL:		6,539	6,292	6,161

*Projected
Source: NRN Research

Family chains battle fast feeders, casual themers

(Continued from page 76)

ing its menu over the past year, a process resulting in the recent introductions of entrée salads, a line of grilled sandwiches and a still-in-test soup, salad and sandwich combination.

According to Jim Caruso, president of Village Inn, the chain has as its strategic goal the development of at least three new product lines a year.

"We're not engaged in cutthroat discounting," Caruso explains. "We're positioned to be a high-quality provider in the midprice segment. There really is a large audience out there for a chain offering quality and value." He adds that the company intends to increase its company-store growth rate, a strategy that had been subordinated in recent years.

PoFolks Inc. is another family-segment player targeting company growth. Under new president and chief executive Bob Ovington, The Nashville-based chain has based its future expansion plans on carefully monitored company growth, primarily through buybacks of franchised units. PoFolks says it plans to pad the ranks of its company-owned restaurants at the rate of eight to 10 stores annually.

Cracker Barrel, the fast-growing family operator with branches dotting the interstate highways of the Southeast, has expanded into such new territories as Louisiana and Wisconsin and "backfilled" gaps in West Virginia, Mississippi, Michigan and Missouri. The company said it intends to open 21 new units by the end of fiscal 1992.

Buoyed by $44 million in cash accrued from recent stock and debt offerings, the combination restaurant-and-gift-shop concept says it will maintain its annual 20-percent growth rate in terms of unit expansion. An additional 25 units are planned for 1993.

In terms of sales, Cracker Barrel consistently has been the family segment's star performer. The Lebanon, Tenn.-based chain has reported increases in same-store sales for the last 28 consecutive quarters, a record unmatched in the family category. The chain's average unit sales hover comfortably over $3 million, nearly one and one-half times that of its nearest competitor.

International House of Pancakes has introduced the 'IHOP' logo.

"They're consistently knocking the ball out of the park when most restaurant companies are struggling just to get up to bat," one analyst remarks.

FAMILY CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	1	Cracker Barrel Old Country Store	July '93	19.69	19.81
2	2	Shoney's	Oct. '92	9.03	7.64
3	4	Bob Evans Farms	April '93	8.79	7.06
4	6	Denny's	Dec. '92	6.05	2.16
5	8	International House of Pancakes	Dec. '92	4.81	1.84
6	3	Bakers Square	Oct. '92	3.35	7.19
7	5	Waffle House	June '93	2.42	3.33
8	11	Big Boy	Dec. '92	1.62	– 2.22
9	7	Perkins Restaurants	Dec. '92	0.74	2.01
10	10	Friendly's Restaurants	Dec. '92	– 0.64	– 1.89
11	9	Village Inn	Oct. '92	– 0.88	0.00
12	12	Marie Callender's	Dec. '92	– 5.10	– 2.48
		AVERAGE:		4.16	3.70

*Projected
Source: NRN Research

Denny's, the largest player in the family category, has rolled out 10 of its signature "Grand Slam" meals, including a popular Clubhouse Slam — a sandwich of ham, turkey, Swiss and American cheese with a side of potato salad — in addition to several new stir-fry Slams.

The 1,400-unit operator says it has focused its expansion efforts primarily in the Southeast and has mapped out a schedule of 30 restaurant openings by the end of 1992. To ease expansion into smaller markets, Denny's has unveiled a smaller prototype, a 2,700-square-foot facility with a seating capacity of 80.

The company also reached a milestone with the opening of its 1,000th company-owned restaurant.

Columbus, Ohio-based Bob Evans Farms, the chain known for its red farmhouse exterior, continues to concentrate on boosting dinner revenues. Buoyed by the third phase of its "daily dinner specials," a series of weekday evening bargain entrées, Bob Evans Farms has raised its dinner revenues to 47 percent of its total sales mix.

New Bob Evans products include corn on the cob, chicken Monterey, barbecue ribs and fresh-squeezed lemonade.

During the year the 800-unit Friendly's unveiled "Company C," a rad-

*(See **FAMILY**, page 118)*

PIZZA CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, In Millions)		
				Current*	Last Full	Prior
1	1	Pizza Hut	Dec. '92	$ 4,450.0	$4,150.0	$3,900.0
2	2	Domino's Pizza	Dec. '92	2,358.0	2,400.0	2,650.0
3	3	Little Caesars Pizza	Dec. '92	2,160.0	1,725.0	1,400.0
4	5	Show Biz/Chuck E. Cheese's	Jan. '93	343.5	302.4	281.5
5	4	Round Table Pizza	June '93	315.0	315.0	311.0
6	6	Sbarro, The Italian Eatery	Jan. '93	300.6	273.3	249.8
7	7	Godfather's Pizza	May '93	242.0	228.0	226.0
8	8	Pizza Inn	June '93	192.9	155.2	151.5
		TOTAL:		$10,362.0	$9,548.9	$9,169.8

*Projected
Source: NRN Research

PIZZA CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH
(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	1	Little Caesars Pizza	Dec. '92	25.22	23.21
2	5	Pizza Inn	June '93	24.25	2.43
3	3	Show Biz/Chuck E. Cheese's	Jan. '93	13.59	7.42
4	2	Sbarro, The Italian Eatery	Jan. '93	9.99	9.41
5	4	Pizza Hut	Dec. '92	7.23	6.41
6	7	Godfather's Pizza	May '93	6.14	0.88
7	6	Round Table Pizza	June '93	0.00	1.29
8	8	Domino's Pizza	Dec. '92	– 1.75	– 9.43
		AVERAGE:		10.58	5.20

*Projected
Source: NRN Research

Pizza chains chart ambitious growth

Major players safeguard market against fast-food invaders while widening the mom-and-pop gap with new products, unusual sites and niche marketing

by Theresa Howard

Seeking to nurture their 65-percent share of the industry's $16 billion pizza market, the nation's eight largest pizza chains are building ambitious growth strategies on foundations of new products, innovative toppings, non-traditional sites and localized "micro-marketing."

With impending threats from McDonald's and other well-funded players who are moving into the pizza arena, the segment's major chains are doing what they do best to retain and grow their market shares.

The efforts were taken during a year when the segment's dominant operators appear to be dramatically widening their lead over smaller regional chains and mom-and-pop pizzerias.

Projections call for the aggregate sales of pizza chains in NRN's Top 100 to surge this year by a nominal 8.5 percent — more than double their growth rate last year — to nearly $10.4 billion.

Growth trends that are markedly different from those of the pizza industry at large suggest that the dominant chains are gobbling up the lesser players' customer bases.

Increased competition and the lagging economy pulled the overall segment's customer-traffic growth rate down to 2 percent for the first half of 1992 compared with guest counts in the same period last year, observes George Rice, president of the research group GDR Enterprises.

"Historically, the pizza segment has grown at rates considerably greater than the industry," Rice notes. "But this year it is the same as the industry rate."

In seemingly successful efforts to surmount the flattish trend, the pizza operators in the Top 100 are pushing value-added programs, marketing to neighborhood niches and introducing a range of new products designed to beef up per-person checks and increase frequency.

PIZZA CHAINS RANKED BY TOP 100 MARKET SHARE
(share of aggregate sales of pizza chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share		
				Current*	Last Full	Prior
1	1	Pizza Hut	Dec. '92	42.95	43.46	42.53
2	2	Domino's Pizza	Dec. '92	22.76	25.13	28.90
3	3	Little Caesars Pizza	Dec. '92	20.85	18.06	15.27
4	5	Show Biz/Chuck E. Cheese's	Jan. '93	3.32	3.17	3.07
5	4	Round Table Pizza	June '93	3.04	3.30	3.39
6	6	Sbarro, The Italian Eatery	Jan. '93	2.90	2.86	2.72
7	7	Godfather's Pizza	May '93	2.34	2.39	2.46
8	8	Pizza Inn	June '93	1.86	1.63	1.65
		TOTAL:		100.00	100.00	100.00

*Projected
Source: NRN Research

On the food front, the chains are tailoring new items to bolster their market appeal. They also are using new menu items to improve perceived price-value relationships, with an emphasis on quality.

Leading the list of food trends are pizzas that shed traditional toppings like pepperoni and sausage for such things as barbecued chicken and Cajun-spiced shrimp. The trend, which was popularized in such West Coast hot spots as Spago and the California Pizza Kitchen chain, has filtered into the mainstream through the likes of Domino's and Pizza Hut. Those brands have introduced the barbecued and shrimp toppings on a regional basis.

Pasta, too, has become an increasingly popular menu item. Pizza Hut plans to make it as popular as hamburgers and french fries through the introduction of its Fastino's restaurant concept — a drive-through that serves pasta dishes and pizza by the slice.

Papa Gino's of America, one of the Top 100 companies, has introduced a variety of new pasta items and is testing a Caesar salad in about five of its chain's units.

One of the most intriguing events that change the face of the pizza segment, however, is the recent acquisition by Pizza Hut's parent company, PepsiCo Inc., of a majority stake in the full-service California Pizza Kitchen chain.

Although Los Angeles-based CPK is considerably more upscale than traditional pizza players in the Top 100, its deal with deep-pocketed PepsiCo could conceivably make the small but high-grossing chain a potent factor in the segment's competitive dynamics.

One operator, however, contends that gourmet pizzas are a fad that will not fly in Middle America. "Ethnic toppings are starting to wane and die out," says Herman Cain, chief executive and president of Godfather's Pizza. "I have this theory that people look to advertising and new products to boost business. But in today's economic times, people fall back on their basic preferences. New products provide a nice, temporary change for many of our customers, who will try them, like them, then go back [to their favorites]," he explains.

Nevertheless, Godfather's introduced a "Hawaiian Supreme" pizza earlier this year.

Other operators view new products as an opportunity to increase customer visits.

"We are trying to keep our patrons through customer service and by in-

(see *PIZZA CHAINS*, page 87)

> “New products provide a nice, temporary change for many of our customers, who will try them, like them, then go back [to their favorites].”
>
> — Herman Cain of Godfather's

Pizza chains chart ambitious growth

(Continued from page 84)

creasing their visits through some menu expansion," says James Fletcher, president of San Francisco-based Round Table Pizza. "We are doing a little bit at a time and being careful not to depart from the loyalty we have established [with our existing products]. We're introducing a barbecue pizza, nothing too exotic, and trying variations on the basic pizza product. We're also looking at entrées that fit our store profile."

While some of the big chains are merely adding new fixings to top off pizzas, others have put forth systemwide programs that promote the overall quality of their dining experiences, not just product quality.

Last fall Domino's began to tout a new and improved pizza recipe, and Round Table began a "Quality Service Cleanliness" program.

And Domino's says it has chalked up noticeable improvements in service and quality control, according to Phil Bressler, the chain's vice president of operations.

During the company's annual franchise convention in April, Domino's officials expressed disappointment at findings about customer perception of the chain's service. "We went back and reran the numbers' second- and third-quarter comparisons on our quality rating, and we have moved forward," Bressler explains. He cites improved rating of product quality, up from 3.46 to 3.59 on a scale of 1 to 5; friendliness, up from 3.8 to 4.3; employee responsiveness, up from 2.9 to 3.3; and politeness, from 4.0 to 4.5.

"We are working at improving quality and service in the restaurants through our QSC program by dealing with the fundamentals," says Round Table's Fletcher. The program creates incentives for managers and owner-operators in the areas of quality, service and cleanliness.

Pizza Hut is attempting to improve service and is targeting basic operations.

Pizza Hut, too, is attempting to improve service and is targeting basic operational functions. "One thing we are focusing on is speed at the unit level," comments Pat Williamson, the chain's executive vice president of development. "It is not so much a new training program as it is focusing on 'presaucing,' 'precheesing' and driver staffing."

Williamson says the company is currently running a one-unit test of a service guarantee that promises "if you don't like the product or service, the next one is on us."

At Papa Gino's and Godfather's, full service is being eyed as a potential value-added opportunity. "We have full service in six stores, but we are still evaluating whether it fits our strategy," points out Papa Gino's chief operating officer, James Grimm. Godfather's indicated that a test of full service is being considered there also.

The Showbiz Pizza Time chain continues to make strides with its value-added entertainment for kids and families.

Meanwhile, as some operators are trying menu changes and attention to service as strategies to retain customer loyalty, others are resorting to "micro-marketing" in their sporadic but growing use of coupons and discount deals, frequently varying them on a store-by-store basis.

While Round Table has tried to avoid the pizza segment's deal and discount craze, the company was sucked into the whirlpool in May when the entirely franchised chain introduced its first "double deal" promotion. It allows customers to purchase a large 14-inch pizza for $6, with a medium one only $4 more.

The 560-unit unit Sbarro chain introduced a value menu at many of retail mall and downtown locations. However, Sbarro's sales have dipped considerably in this year's Top 100 report because of a fall-off in retail mall traffic and, perhaps, because of continued management and executive turnover at the Commack, N.Y.-based chain's headquarters. Another factor sharply hitting the company is the issue of perceived value, which forced the chain into discounting.

"One of our biggest concerns continues to be price promotion; it puts pressure on margins," says Round Table's Fletcher. "Continuing to offer customers a good value while hacking away at prices is a constant battle."

Technologies and computer systems that allow operators to offer speedier service and maintain a data base of information on customers — a virtual marketing gold mine that lets unit managers track and act on buying habits of regular patrons — are fast becoming a popular method to build customer loyalty during such price-crunching times.

And the price battle has the potential of getting even tougher. Just last month Domino's ran a promotion that knocked down the price on a second pizza to 99 cents. Although the chain ran the promotion for carryout only orders, the move appeared to introduce a brand-new opportunity for discounting.

Pizza Hut as well offered a "free pie in July" to customers who purchased a large pizza at its regular price.

Despite that special, Pizza Hut is trying simultaneously to build customer loyalty with its "come-back" coupons. Created by the company's national print advertising firm, Sullivan, Higdin & Sink, the customized coupons are generated through each store's individual customer data base.

"One of the big advantages with point-of-sales systems is building the customer data base," says Pizza Hut's Williamson. "For the first time we are going to pinpoint [increased] frequency and that should allow us to drive up top-

*(see **PIZZA CHAINS**, page XX)*

PIZZA CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, In Thousands) Current*	Last Full	Prior
1	1	Show Biz/Chuck E. Cheese's	Jan. '93	$1,340.	$1,297.0	$1,269.0
2	2	Pizza Hut	Dec. '92	653.0	637.0	631.0
3	3	Round Table Pizza	June '93	554.0	554.0	547.0
4	4	Sbarro, The Italian Eatery	Jan. '93	515.0	515.0	546.0
5	8	Pizza Inn	June '93	490.7	425.3	404.1
6	5	Little Caesars Pizza	Dec. '92	472.1	472.6	441.2
7	6	Godfather's Pizza	May '93	472.0	446.0	449.0
8	7	Domino's Pizza	Dec. '92	431.6	431.6	439.4
		AVERAGE:		$ 616.1	$ 597.3	$ 590.8

*Projected
Source: NRN Research

PIZZA CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units Current*	Last Full	Prior
1	1	Pizza Hut	Dec. '92	7,280	7,010	6,681
2	2	Domino's Pizza	Dec. '92	4,860	4,947	5,004
3	3	Little Caesars Pizza	Dec. '92	4,575	3,650	3,173
4	5	Sbarro, The Italian Eatery	Jan. '93	621	530	457
5	4	Round Table Pizza	June '93	568	568	566
6	6	Godfather's Pizza	May '93	515	512	506
7	7	Pizza Inn	June '93	393	365	375
8	8	Show Biz/Chuck E. Cheese's	Jan. '93	298	272	267
		TOTAL:		19,110	17,854	17,029

*Projected
Source: NRN Research

PIZZA CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	2	Little Caesars Pizza	Dec. '92	25.34	15.03
2	1	Sbarro, The Italian Eatery	Jan. '93	17.17	15.97
3	4	Show Biz/Chuck E. Cheese's	Jan. '93	9.56	1.87
4	8	Pizza Inn	June '93	7.67	– 2.67
5	3	Pizza Hut	Dec. '92	3.85	4.92
6	5	Godfather's Pizza	May '93	0.59	1.19
7	6	Round Table Pizza	June '93	0.00	0.35
8	7	Domino's Pizza	Dec. '92	– 1.76	– 1.14
		AVERAGE:		7.80	4.44

*Projected
Source: NRN Research

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BURGER KING
BK express way

Burger King has introduced its Expressway concepts in its effort to put the restaurants in closer proximity to its customers.

SANDWICH CHAINS
RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions) Current*	Last Full	Prior
1	1	McDonald's	Dec. '92	$12,703.0	$12,519.0	$12,251.0
2	2	Burger King	Sept. '92	6,450.0	6,225.0	6,100.0
3	3	Hardee's	Dec. '92	3,800.0	4,200.0	4,101.0
4	5	Taco Bell	Dec. '92	3,100.0	2,700.0	2,400.0
5	4	Wendy's	Jan. '93	3,001.0	2,911.0	2,762.0
6	6	Dairy Queen	Nov. '92	2,091.0	2,010.6	1,980.0
7	8	Subway	Dec. '92	1,650.0	1,300.0	1,050.0
8	7	Arby's	Dec. '92	1,449.0	1,346.0	1,301.0
9	9	Jack in the Box	Sept. '92	996.0	978.0	943.2
10	17	Roy Rogers	Dec. '92	687.0	186.0	500.0
11	10	Carl's Jr.	Jan. '93	634.4	610.0	574.4
12	11	Sonic Drive-In	Aug. '92	600.0	519.0	454.5
13	12	Whataburger	Sept. '93	329.5	318.4	309.6
14	13	White Castle	Dec. '92	306.0	300.0	297.0
15	15	Rally's	Dec. '92	256.6	221.1	185.6
16	14	Del Taco	Dec. '92	238.0	224.0	205.0
17	16	Krystal	Dec. '92	220.0	211.0	204.0
		TOTAL:		$38,511.5	$36,779.1	$35,618.3

*Projected
Source: NRN Research

Sandwich giants wage service war

After battling for market share with menu additions and pricing strategies, segment leaders are going back to the basics and catering to the customer

by Milford Prewitt

Many of the giant sandwich-chain operators in the Top 100 are pinpointing customer service as the next strategic battleground where they intend to fight for market share and proclaim their differences from the rest of the pack.

After years of slashing prices, diversifying menus and developing non-traditional locales, many of the industry's leading burger and sandwich outfits seemingly share the sentiments of Alexander the Great, who, upon conquering all of the known lands on his map, wept when he ran out of places to invade.

While the sandwich segment's quandary is not so dire as the one that confronted Alexander, its maps of opportunity have nevertheless contracted over the past five or six years, and for many of the chains, the open roads are leading to customer service.

Overall, the 18 chains in the Top 100's sandwich segment are expected to increase their domestic systemwide sales this year by 4.7 percent, to $38.5 billion, a decline from the 3.3-percent increase tracked between 1990 and 1991.

What is essentially happening, according to observers of the sandwich segment, is that its price wars appear to be waning, leaving many competitors with nothing else to tout but service and menu novelty.

Others argue that the price war is alive and well, though nowhere near so fiercely waged as it was two years ago.

"There's less discounting going on, but that doesn't mean the price wars have stopped," says Michael Mueller, an analyst with Montgomery Securities in San Francisco. "You have to have low prices in order to compete, so discounting is here to stay."

But Mueller also contends that customer service is being promoted because many companies, in their fervor to expand menus and chains, have bungled their service quotients over the past few years.

"Basically what is going on here is that many companies are attempting to provide something customers took for granted but is hard to find," Mueller explains. "As a result, they are looking at service as something that somehow makes them different."

He adds, "I think it makes a strong commentary about the state of customer service that something as basic as getting an order fast and accurate has to be promoted."

Virtually all of the segment's giants — Sonic, McDonald's, Hardee's, Burger King and Rally's — are seeking a competitive edge through investments in improved levels of customer service by way of operations and marketing.

"People have been pushing customer service for a long time, and there is not one aspect of service that one chain does that another doesn't," remarks Denny Lynch, a spokesman for Wendy's. "But what we are seeing is the first time that customer service is starting to creep into the marketing budgets."

But Lynch issues a caution.

"It's a great strategy, but if you can't deliver it when the customer hits the door, it is going to turn a lot of people off," he points out.

"Customers are very sensitive to service, and they come to a restaurant with certain expectations. But you cannot assume that advertising is going to solve your customer service problems," Lynch added.

To be sure, many burger operators still feel the heat of the value wars. Recently, the Carl's Jr. chain — whose marketing has tried to take the high road of recipe superiority by urging consumers to "come for the food" — belatedly joined the cut-rate fray with value-priced supplemental menus.

For many of the sandwich chains, customer service has become the new battlefield.

Rally's, the rapidly expanding twin-lane drive-through concept, underscored the segment's newfound appreciation for customer service about a year ago when it launched the advertising campaign "We get it right, or you get it free."

The burger chain followed up the theme with dramatic sales gains on the strength of its "Cha-ching" commercial, a humorous spot that poked fun at other double-drive-through competitors in which an order taker yells "Cha-ching" every time a family orders from an overpriced and bloated menu board.

The largest chain in the twin-lane drive-through niche, Rally's is beginning to up the ante with a massive investment in customer service by its systemwide installations of a state-of-the-art interactive video device that allows consumers and servers to see each other and to double-check orders and prices.

"We don't have a lot of opportunity to meet the customer face to face," observes Bruce Ley, Rally's marketing executive, "so the system becomes a good way for us to add that extra touch."

Ley declines to reveal the per-unit investment cost of the new system. But he is one of many executives who concur that customer service is taking center stage in marketing programs because the segment has done about all it can do to push low prices.

"I think, for many companies, they

*(See **SANDWICH**, page 95)*

SANDWICH CHAINS
RANKED BY U.S. SYSTEMWIDE SALES GROWTH
(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	17	Roy Rogers	Dec. '92	269.35	−62.80
2	1	Subway	Dec. '92	26.92	23.81
3	2	Rally's	Dec. '92	16.06	19.13
4	3	Sonic Drive-In	Aug. '92	15.61	14.19
5	4	Taco Bell	Dec. '92	14.81	12.50
6	9	Arby's	Dec. '92	7.65	3.46
7	5	Del Taco	Dec. '92	6.25	9.27
8	10	Krystal	Dec. '92	4.27	3.43
9	6	Carl's Jr.	Jan. '93	4.00	6.20
10	15	Dairy Queen	Nov. '92	4.00	1.55
11	14	Burger King	Sept. '92	3.61	2.05
12	11	Whataburger	Sept. '93	3.49	2.84
13	7	Wendy's	Jan. '93	3.09	5.39
14	16	White Castle	Dec. '92	2.00	1.01
15	8	Jack in the Box	Sept. '92	1.84	3.69
16	13	McDonald's	Dec. '92	1.47	2.19
17	12	Hardee's	Dec. '92	− 9.52	2.41
		AVERAGE:		7.67	7.38

*Projected
Note: The average percentage-change figure excludes Roy Rogers and Hardee's.
Roy Rogers' projected growth would result from the chain's large-scale reconversion from its sister brand, Hardee's.
Source: NRN Research

> The 18 chains in the Top 100's sandwich segment are expected to increase their domestic systemwide sales this year by 4.7 percent.

SANDWICH CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sales of sandwich chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share		
				Current*	Last Full	Prior
1	1	McDonald's	Dec. '92	32.98%	34.04%	34.40%
2	2	Burger King	Sept. '92	16.75	16.93	17.13
3	3	Hardee's	Dec. '92	9.87	11.42	11.51
4	5	Taco Bell	Dec. '92	8.05	7.34	6.74
5	4	Wendy's	Jan. '93	7.79	7.91	7.75
6	6	Dairy Queen	Nov. '92	5.43	5.47	5.56
7	8	Subway	Dec. '92	4.28	3.53	2.95
8	7	Arby's	Dec. '92	3.76	3.66	3.65
9	9	Jack in the Box	Sept. '92	2.59	2.66	2.65
10	17	Roy Rogers	Dec. '92	1.78	0.51	1.40
11	10	Carl's Jr.	Jan. '93	1.65	1.66	1.61
12	11	Sonic Drive-In	Aug. '92	1.56	1.41	1.28
13	12	Whataburger	Sept. '93	0.86	0.87	0.87
14	13	White Castle	Dec. '92	0.79	0.82	0.83
15	15	Rally's	Dec. '92	0.67	0.60	0.52
16	14	Del Taco	Dec. '92	0.62	0.61	0.58
17	16	Krystal	Dec. '92	0.57	0.57	0.57
		TOTAL:		100.00%	100.00%	100.00%

*Projected
Source: NRN Research

SANDWICH CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
				Current*	Last Full	Prior
1	1	McDonald's	Dec. '92	$1,665.0	$1,658.0	$1,649.0
2	2	White Castle	Dec. '92	1,296.0	1,283.0	1,166.0
3	4	Hardee's	Dec. '92	1,100.0	1,032.0	1,000.0
4	3	Carl's Jr.	Jan. '93	1,090.0	1,103.8	1,114.2
5	6	Roy Rogers	Dec. '92	1,080.0	975.0	1,060.0
6	5	Jack in the Box	Sept. '92	1,040.0	1,020.0	1,020.0
7	7	Burger King	Sept. '92	988.0	971.0	983.0
8	8	Krystal	Dec. '92	898.0	887.0	837.0
9	11	Taco Bell	Dec. '92	873.0	814.0	771.0
10	9	Del Taco	Dec. '92	865.0	860.0	840.0
11	10	Wendy's	Jan. '93	858.0	852.0	811.0
12	12	Rally's	Dec. '92	850.0	801.0	852.0
13	13	Whataburger	Sept. '93	701.5	698.3	700.2
14	14	Arby's	Dec. '92	688.0	680.0	675.0
15	15	Sonic Drive-In	Aug. '92	520.0	481.0	446.0
16	16	Dairy Queen	Nov. '92	440.0	435.0	430.0
17	17	Subway	Dec. '92	260.0	225.0	217.0
		AVERAGE:		$ 894.9	$ 869.2	$ 857.1

*Projected
Source: NRN Research

Sandwich giants wage customer-service war

(Continued from page 90)

could only push prices for so long," Ley says. "Now you just look around our own market here in Louisville, and you see people raising prices, in fact. The battlefield keeps changing."

The segment's second-largest player, Burger King, currently is striving to put restaurants in closer proximity to its customers.

With the launch of its Expressway concepts — a plan to expand through double-drive-throughs, kiosks and in-line strip center units — BK is looking to develop restaurants at lower costs in higher traffic locales.

Sid Feltenstein, vice president of brand strategy for Burger King, views the ability to locate stores where the chain's customers demand them as a key component of customer service.

"We want to put a Burger King wherever our customers work, shop and play," Feltenstein explains. "What can be more customer-service-oriented than that? That's why we are so excited about Expressway. It will give us the chance to match site opportunities with the right restaurant vehicle and really help us optimize our unit investment costs."

Beyond putting restaurants closer to his customers, Feltenstein points out, BK has long been using a toll-free phone number that patrons can call to comment about their experiences at the chain. He says most people would be surprised to know that most of the calls bring overwhelmingly positive comments.

> "After menu diversification and driving prices down for years, what else is left to make a marketable point of difference except service?"
>
> — Cliff Hudson

More than a year ago, BK began offering limited table service at 900 company restaurants, a program that remains in effect.

"When you even look at our current advertising theme, 'Your way, right away,' that is the essence of customer service," Feltenstein adds. "I think we set our own service standards long before everyone else started it."

Cliff Hudson, vice president of development for the 1,200-unit drive-in burger chain Sonic, concurs that customer service is taking on new importance as a result of many companies' having exhausted other marketing options.

"After menu diversification and driving prices down for years, what else is left to make a marketable point of difference except service?" Hudson asks. "But I think we are different in that we never got in the discount wars in the first place, and we stayed focused on service.

"One thing about selling tacos at 39 cents is that it sends a message to consumers that that's about all they are worth. So customers get used to these low prices, and what happens when the day comes that you have to raise them?"

About a year ago Sonic added a personable table-service touch to its service style. Besides being required to issue a heartfelt "hello" to customers, servers were instructed to return to their patrons' vehicles to inquire about the food quality and the diners' possible desire for salt, pepper or anything else.

Sonic's servers return a final time to thank the patrons for their business.

"This is a level of service you just can't get among the other fast feeders," Hudson says.

Executives for Taco Bell, the PepsiCo subsidiary that is both blamed and applauded for triggering the price war, have said in the past that the company does not envision the need to raise prices until the mid-1990s. Although Taco Bell's executives lately have been reticent about their views on customer service, the chain has long claimed that its high-tech kitchen technology — which reduces labor and food costs — permits the allocation of more manpower to the service counter.

Segment-leader McDonald's is gearing up to be the most aggressive in touting customer service.

On July 10 McDonald's unveiled its satisfaction guarantee, an old policy

(See SANDWICH, page 118)

SANDWICH CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units		
				Current*	Last Full	Prior
1	1	McDonald's	Dec. '92	9,051	8,764	8,472
2	2	Subway	Dec. '92	7,000	5,853	4,870
3	3	Burger King	Sept. '92	5,675	5,655	5,427
4	4	Dairy Queen	Nov. '92	4,665	4,630	4,620
5	7	Taco Bell	Dec. '92	3,908	3,616	3,227
6	6	Wendy's	Jan. '93	3,832	3,804	3,727
7	5	Hardee's	Dec. '92	3,750	4,240	4,022
8	8	Arby's	Dec. '92	2,513	2,382	2,301
9	9	Sonic Drive-In	Aug. '92	1,196	1,112	1,043
10	10	Jack in the Box	Sept. '92	1,145	1,089	1,035
11	17	Roy Rogers	Dec. '92	784	219	648
12	11	Carl's Jr.	Jan. '93	627	610	573
13	12	Whataburger	Sept. '93	480	475	475
14	13	Rally's	Dec. '92	450	332	257
15	14	Del Taco	Dec. '92	286	277	274
16	16	Krystal	Dec. '92	270	247	235
17	15	White Castle	Dec. '92	267	257	249
		TOTAL:		45,899	43,562	41,455

*Projected
Source: NRN Research

SANDWICH CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	17	Roy Rogers	Dec. '92	257.99	−66.20
2	1	Rally's	Dec. '92	35.54	29.18
3	2	Subway	Dec. '92	19.60	20.18
4	8	Krystal	Dec. '92	9.31	5.11
5	3	Taco Bell	Dec. '92	8.08	12.05
6	4	Sonic Drive-In	Aug. '92	7.55	6.62
7	10	Arby's	Dec. '92	5.50	3.52
8	7	Jack in the Box	Sept. '92	5.14	5.22
9	12	White Castle	Dec. '92	3.89	3.21
10	11	McDonald's	Dec. '92	3.27	3.45
11	14	Del Taco	Dec. '92	3.25	1.09
12	5	Carl's Jr.	Jan. '93	2.79	6.46
13	16	Whataburger	Sept. '93	1.05	0.00
14	15	Dairy Queen	Nov. '92	0.76	0.22
15	13	Wendy's	Jan. '93	0.74	2.07
16	9	Burger King	Sept. '92	0.35	4.20
17	6	Hardee's	Dec. '92	− 11.56	5.42
		AVERAGE:		7.1	6.8

*Projected
Note: The average percentage-change figure excludes Roy Rogers and Hardee's.
Roy Rogers' projected growth would result from the chain's large-scale reconversion from its sister brand, Hardee's.
Source: NRN Research

CHICKEN CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, In Millions) Current*	Last Full	Prior
1	1	KFC	Dec. '92	$3,600.0	$3,400.0	$3,200.0
2	2	Popeyes Chicken	Dec. '92	540.0	536.0	520.0
3	3	Church's Fried Chicken	Dec. '92	430.0	439.0	461.0
4	4	Chick-fil-A	Dec. '92	350.0	324.6	293.7
		TOTAL:		$4,920.0	$4,699.6	$4,474.7

*Projected
Source: NRN Research

CHICKEN CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	1	Chick-fil-A	Dec. '92	7.84	10.50
2	2	KFC	Dec. '92	5.88	6.25
3	3	Popeyes Chicken	Dec. '92	0.75	3.08
4	4	Church's Fried Chicken	Dec. '92	−2.05	− 4.77
		AVERAGE:		3.11	3.76

*Projected
Source: NRN Research

Chicken chains fight to rule the roost

Top four chains take flight on fried chicken's renewed popularity without losing their wings to non-frying regional operations or beefy competitors

by Peter O. Keegan

While the public renews its interest in fried chicken, major players in the chicken segment are hawking new products, polishing brand awareness and realigning operations to grid for escalating competition.

Although KFC, Popeyes and Church's posted first-quarter gains that signaled a rebound in their sales and profits, a slew of non-frying regional operators have been getting all the attention with takeout offerings, healthful side dishes and catchy names.

Gains by Chick-fil-A and the other big chains appear to bode well for them in the short term although it is not entirely clear whether recent upticks reflect sales to customers lured by price promotions or to recession-weary consumers seeking comfort food or to a new generation of teens craving the taste of fried chicken.

According to the National Restaurant Association, fried chicken is enjoying a newfound popularity. Of all poultry orders in 1991, 52 percent were for fried chicken, up from a 48-percent share in 1988. The study also found that chicken restaurants increasingly were using special deal promotions to lure customers, with such transactions jumping 10 percentage points from 1989 to 1991.

A new and potent player in the chicken coop, the Hardee's burger chain, has become a bone of contention to the big four chicken brands. Exploiting a specialty of its sister chain, Hardee's has installed Roy Rogers' chicken in all of its 3,289 units and is beginning to promote the product heavily.

"Hardee's has been a big nuisance to us in many markets," says one KFC franchisee. "It has enormous advertising clout in local markets in the South and Midwest." KFC has shot back with such advertising tag lines as "Who do they think they're fooling? There's only one chicken expert!" and a spot featuring a cow with a chicken's face superimposed on it.

"If Hardee's is successful in chicken, KFC is going to have some serious problems," Bob Autry, the president of Hardee's, told the chain's franchisees at their recent convention. "They have people down there [at KFC's headquarters] with one mission: blunt Hardee's."

CHICKEN CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sales of chicken chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	KFC	Dec. '92	73.17	72.35	71.51
2	2	Popeyes Chicken	Dec. '92	10.98	11.41	11.62
3	3	Church's Fried Chicken	Dec. '92	8.74	9.34	10.30
4	4	Chick-fil-A	Dec. '92	7.11	6.91	6.56
		TOTAL:		100.00	100.00	100.00

*Projected
Source: NRN Research

KFC
KFC
KFC
Drive Thru

KFC, the undisputed leader of the pack, had an impressive first quarter.

Meanwhile, McDonald's is testing fried chicken, Taco Bell is finding success with chicken fajitas, while supermarkets, delis and regional chains are offering chicken-topped salads and grilled and rotisserie options. For their part, the mainstream chicken chains are trying to fend off the new competition with revised tactics.

Yet insiders believe that as the larger chains regroup and gear up with new products, the smaller niche-oriented chains will either fail or consolidate to defuse the marketing might and buying power of the majors.

KFC, the undisputed leader of the pack, had an impressive first quarter and is about to release favorable second-quarter results. The chain, which has been gobbling up franchisees, is now 40-percent company owned and is showing improved profits.

Recently, KFC cut 250 jobs from its staff, giving the operational balance sheet a shot in the arm.

The chain has won kudos this year for its "Lake Edna" television spots as well as for improved cleanliness and aggressive price promotions. But some of KFC's new products, such as Oriental Wings and Honey BBQ chicken, have been cannibalizing sales of Original Recipe and Extra Tasty Crispy. Stores are barely seeing incremental sales increases with the products, and profitability on a store-level basis continues to be flat or declining.

Among KFC's most intriguing exploits this year is the chain's successful test of a value-priced all-you-can-eat

*(See **CHICKEN**, page 102)*

CHICKEN CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands) Current*	Last Full	Prior
1	2	Popeyes Chicken	Dec. '92	$700.0	$673.0	$720.0
2	1	Chick-fil-A	Dec. '92	688.0	687.0	681.0
3	3	KFC	Dec. '92	671.0	669.0	649.0
4	4	Church's Fried Chicken	Dec. '92	445.6	425.0	420.0
		AVERAGE:		$2,504.6	$2,454.0	$2,470.0

*Projected
Source: NRN Research

CHICKEN CHAINS RANKED BY NUMBER OF U.S. UNITS

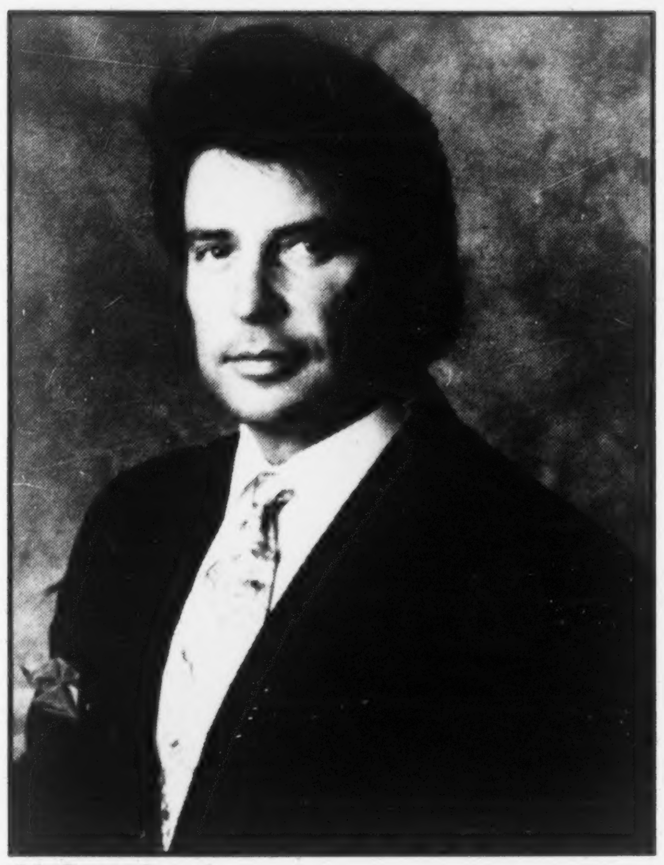
1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units Current*	Last Full	Prior
1	1	KFC	Dec. '92	5,116	5,056	5,006
2	2	Church's Fried Chicken	Dec. '92	1,021	1,042	1,059
3	3	Popeyes Chicken	Dec. '92	825	808	778
4	4	Chick-fil-A	Dec. '92	485	460	441
		TOTAL:		7,447	7,366	7,284

*Projected
Source: NRN Research

Chicken chains fight to rule the roost

(Continued from page 98)

buffet in Arkansas restaurants. Company units have joined three area franchisees in test-marketing a $3.99 all-you-can-eat lunch and a $4.99 dinner, backed by statewide television advertising.



Al Copeland

The food bars, geared toward Southern customers, feature 30 items, including Original Recipe and Extra Crispy Chicken, chicken-fried steak, livers and gizzards, green beans, niblet corn, hominy, pudding and fruit cobblers.

Back on the non-fried track after scrapping its Monterey Broil test nine months ago, KFC firmly intends to roll a grilled, baked or broiled product into stores as soon as possible.

According to insiders, KFC is considering four options, including the skinless Colonel's Country Grill, which was launched in May in Canada and could be expanded into U.S. test markets; a baked product now in test; a rotisserie item currently being tested in company kitchens; and a chicken fajita product that also is in test.

Many experts believe that rotisserie will be the chosen option, especially when one considers spit roasting's renewed popularity and labor-efficient preparation method. A KFC rotisserie product could overpower the rotisserie competition because of the giant chain's pricing and marketing muscle. The item also could be the non-fried product needed to boost incremental sales.

Moreover, a spit-roasters would be the easiest of the cooking options to retrofit into existing units. The company has indicated that grills take up too much space in KFC's tight kitchen configurations.

Home delivery has been working well on a market-by-market basis, and KFC officials are still studying it. "I think they could rejuvenate sales in the short term by adding home delivery to existing locations," says Bob Cummins, an analyst with Wertheim Schroder.

The Popeyes and Church's chains, meanwhile, are both hoping that the protracted battle between Al Copeland and Merrill Lynch & Co. and a group led by the Canadian Imperial Bank of Commerce may all be over soon.

Al Copeland Enterprises, franchisor of the Popeyes and Church's chains, has survived through the 16 months since the company was forced into bankruptcy protection by creditors.

With creditors and the banks on its side, the Canadian Imperial Bank of Commerce group has submitted a plan that would oust Copeland, replacing him with a hand-picked team headed by former Arby's president Frank Belatti and other ex-Arby's executives.

Belatti has not revealed specific plans for the chains, but he says he is studying the chicken segment and is working seven days a week on plans to revitalize Popeyes and Church's. He notes that the chains will weed out dead wood at their headquarters and concentrate on franchisees, giving them a stronger voice into the way the systems will be run.

Chick-fil-A, though starting from a smaller base than those of the other poultry players in the Top 100, enjoys the fastest projected growth in systemwide sales and unit expansion this year.

"The economy and business have been slow, but we're trying to stay competitive by promoting," remarks Don Perry, Chick-fil-A's public-relations manager. "We're taking an aggressive leadership role in nutrition with our new Grilled'n Lites product."

With locations primarily in malls, the Atlanta-based company has not been hurt by the economy's declining retail sales, but it is countering with menu variety to attract customers. The 98-calorie Grilled'n Lites skewered chicken product, priced at two for $1.95, reflects Chick fil-A's ongoing concern with nutritional appeal.

"We are also expanding our catering business," Perry points out. "We are telling our operators to look for business outside of the counter and to be more aggressive in catering."

Chick-fil-A is also seeking growth through college campus operations, such as its successful Georgia Tech outlet, and is targeting freestanding Chick-fil-A units while expanding its full-service Dwarf House chain concept.

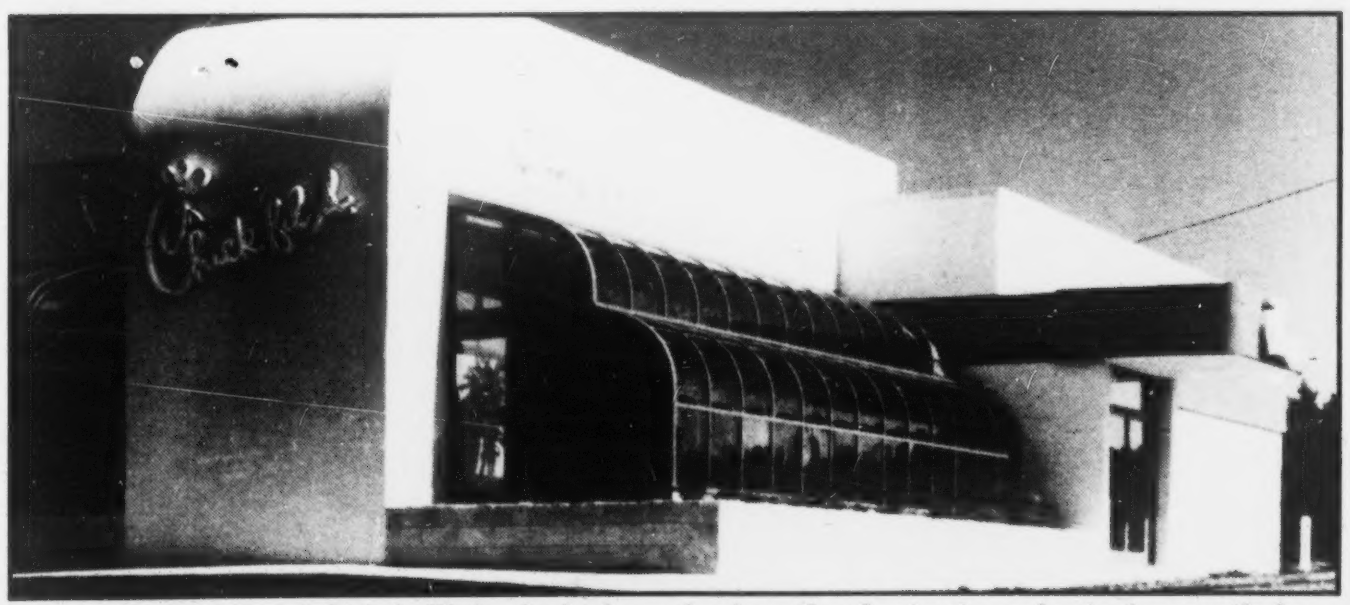
> Al Copeland Enterprises, franchisor of the Popeyes and Church's chains, has survived through the 16 months since the company was forced into bankruptcy protection by creditors.

CHICKEN CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	1	Chick-fil-A	Dec. '92	5.43	4.31
2	2	Popeyes Chicken	Dec. '92	2.10	3.86
3	3	KFC	Dec. '92	1.19	1.00
4	4	Church's Fried Chicken	Dec. '92	−2.02	−1.61
		AVERAGE:		1.68	1.89

*Projected
Source: NRN Research



The Atlanta-based Chick-fil-A chain is enjoying the fastest projected growth in systemwide sales and unit expansion this year.

CONTRACT CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, In Millions)		
				Current*	Last Full	Prior
1	1	Marriott Management Services	Dec. '92	$ 2,500.0	$ 2,399.0	$ 2,340.0
2	2	ARA Services/ARASERVE	Sept. '92	1,900.0	1,800.0	1,680.8
3	3	Canteen Corp.	Dec. '92	1,430.0	1,460.0	1,490.0
4	4	Service America Corp.	Mar. '93	919.8	892.5	1,000.5
5	5	Host International	Dec. '92	770.0	667.0	642.0
6	6	Morrison Custom Management	June '93	680.0	618.0	556.0
7	7	Caterair International	Dec. '92	615.0	609.0	641.0
8	8	Sky Chefs	Dec. '92	481.0	467.0	453.0
9	9	Seiler Corp.	Aug. '92	411.6	403.5	390.0
10	10	ARA Leisure Services	Sept. '92	396.8	396.0	380.0
11	11	Dobbs International	Dec. '92	346.1	317.5	301.0
12	12	ServiceMaster Food Mgmt. Servs.	Dec. '92	277.1	269.0	239.0
13	13	Ogden Allied Ent. Servs.	Dec. '92	255.0	250.0	244.5
14	15	The Wood Co.	Dec. '92	251.0	224.0	198.0
15	16	Restaura Inc.	Dec. '92	226.0	213.0	230.0
16	17	Gardner Merchant Food Services	Feb. '93	206.0	182.0	176.0
17	14	Dobbs Houses	Dec. '92	200.0	231.0	220.0
		TOTAL:		$11,865.4	$11,398.5	$11,181.8

*Projected
Source: NRN Research

CONTRACT CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	8	Host International	Dec. '92	15.44	3.89
2	10	Gardner Merchant Food Services	Feb. '93	13.19	3.41
3	1	The Wood Co.	Dec. '92	12.05	13.13
4	3	Morrison Custom Management	June '93	10.03	11.15
5	5	Dobbs International	Dec. '92	9.01	5.48
6	16	Restaura Inc.	Dec. '92	6.10	− 7.39
7	4	ARA Services/ARASERVE	Sept. '92	5.56	7.09
8	12	Marriott Management Services	Dec. '92	4.21	2.52
9	17	Service America Corp.	Mar. '93	3.06	−10.80
10	2	ServiceMaster Food Management Services	Dec. '92	3.01	12.55
11	11	Sky Chefs	Dec. '92	3.00	3.09
12	9	Seiler Corp.	Aug. '92	2.01	3.46
13	13	Ogden Allied Entertainment Services	Dec. '92	2.00	2.25
14	15	Caterair International	Dec. '92	0.99	− 4.99
15	7	ARA Leisure Services	Sept. '92	0.20	4.21
16	14	Canteen Corp.	Dec. '92	− 2.05	− 2.01
17	6	Dobbs Houses	Dec. '92	−13.42	5.00
		AVERAGE:		4.38	3.06

*Projected
Source: NRN Research

B & I feeders test new waters for growth

Leading contract operators are turning to new markets — such as sports feeding and health care — to offset business-account slump in a tough economy

by Robin Lee Allen

As the economy continues to suppress growth in the business-and-industry segment, many of the contract feeders in the Top 100 are diversifying into areas that are more stable and economically rewarding.

During the past year those companies have actively cultivated their recreational services and health-care markets and aggressively pursued traditionally self-operated educational and correctional accounts.

Such maneuvers have helped the contract giants reduce the risks of dependency on any one market and have helped them offset revenue dips caused by the economic downsizing of beleaguered B & I clients.

"We've redirected our emphasis, not away from B & I, but in addition to" that field, explains Chuck Bryden, Canteen Corp.'s vice president of sales and marketing. "B & I is our core business, but we're concentrating equally on these other markets where we have not been the leader."

Officials at the Spartanburg, S.C.-based feeder decided to target the corrections, education and life-care segments in late 1991 because they are largely self-operated and present tremendous opportunities for growth, Bryden notes.

Accelerating that growth potential are government budget cuts, which have depleted funds that once fueled the food services in those segments and kept them independently operated, Bryden adds.

Service America also expanded its business focus when the crawling economy began changing the rules of the B & I game.

"Our base business is still B&I," remarks Tighe Merkert, the company's corporate vice president of marketing. "But some clients wanted us to go to P & L's [profit-and-loss operations], and we weren't willing to take the downside risk."

Instead, the Stamford, Conn.-based company pared itself of such non-fee accounts and developed other lines of business, like vending and recreation services.

To beef up vending operations — which also have suffered as B & I clients have cut their staffs — Service America has employed new marketing techniques to introduce a variety of new products from brand-name suppliers, Merkert says.

And through new accounts as well as the recent acquisition of Lundy's Sports Catering and New Vista Services Inc., the Service America's recreational services group has boosted sales to $125 million annually, Merkert says.

GR D CHICKEN-COLD BEER

Service America moved into mobile catering for temporary sports events with its purchase of Lundy's.

In buying Lundy's, Service America made an unprecedented foray into mobile catering for temporary sports events. Previously, mobile catering was left to independent owners because it is difficult to manage and monitor.

"My philosophy is to expand the line of business," Gary Horvath, senior vice president of the recreation services group, said at the time of the purchase. "It's an area of growth and more profitable than other lines of business."

This profitability comes from high-volume, long-term leases, a devoted audience and the potential for unanticipated income in the event of championship series. With so many benefits, several companies are clamoring after sports business.

"There's a lot of money to be had in sports," says Matthew D. Bauer, media

(See CONTRACT, page 107)

CONTRACT CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sale of contract chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	Marriott Management Services	Dec. '92	21.07%	21.05%	20.93%
2	2	ARA Services/ARASERVE	Sept. '92	16.01	15.79	15.03
3	3	Canteen Corp.	Dec. '92	12.05	12.81	13.33
4	4	Service America Corp.	Mar. '93	7.75	7.83	8.95
5	5	Host International	Dec. '92	6.49	5.85	5.74
6	6	Morrison Custom Management	June '93	5.73	5.42	4.97
7	7	Caterair International	Dec. '92	5.18	5.34	5.73
8	8	Sky Chefs	Dec. '92	4.05	4.10	4.05
9	9	Seiler Corp.	Aug. '92	3.47	3.54	3.49
10	10	ARA Leisure Services	Sept. '92	3.34	3.47	3.40
11	11	Dobbs International	Dec. '92	2.92	2.79	2.69
12	12	ServiceMaster Food Mgmt. Servs.	Dec. '92	2.34	2.36	2.14
13	13	Ogden Allied Entertainment Services	Dec. '92	2.15	2.19	2.19
14	15	The Wood Co.	Dec. '92	2.12	1.97	1.77
15	16	Restaura Inc.	Dec. '92	1.90	1.87	2.06
16	17	Gardner Merchant Food Services	Feb. '93	1.74	1.60	1.57
17	14	Dobbs Houses	Dec. '92	1.69	2.03	1.97
		TOTAL:		100.00%	100.00%	100.00%

*Projected
Source: NRN Research

CONTRACT CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands) Current*	Last Full	Prior
1	1	Caterair International	Dec. '92	$9,200.0	$9,100.0	$8,400.0
2	2	Dobbs International	Dec. '92	6,344.0	6,100.0	5,880.0
3	3	ARA Leisure Services	Sept. '92	2,650.0	2,600.0	2,500.0
4	4	Ogden Allied Ent. Servs.	Dec. '92	2,346.0	2,300.0	2,400.0
5	5	Sky Chefs	Dec. '92	1,300.0	1,300.0	1,300.0
6	6	Marriott Management Services	Dec. '92	1,054.0	1,046.0	1,063.0
7	7	Seiler Corp.	Aug. '92	1,050.0	1,010.0	975.0
8	8	Host International	Dec. '92	1,000.0	997.0	992.0
9	9	ServiceMaster Food Mgmt. Servs.	Dec. '92	993.2	964.3	902.0
10	10	The Wood Co.	Dec. '92	790.0	752.4	684.5
11	13	Morrison Custom Management	June '93	763.0	707.0	699.0
12	11	Service America Corp.	Mar. '93	747.7	733.0	632.0
13	12	Canteen Corp.	Dec. '92	744.6	730.0	835.0
14	14	Restaura Inc.	Dec. '92	664.5	650.0	628.3
15	15	ARA Services/ARASERVE	Sept. '92	650.9	649.0	646.5
16	16	Dobbs Houses	Dec. '92	548.6	577.5	579.0
17	17	Gardner Merchant Food Services	Feb. '93	322.9	309.3	306.1
		AVERAGE:		$1,833.5	$1,795.6	$1,730.7

*Projected
Source: NRN Research

Contract feeders test new waters for growth

(Continued from page 106)

manager for Buffalo, N.Y.-based Delaware North Cos., which owns Sportservice.

While Delaware North's other foodservice subsidiary, in-flight caterer ConcessionAir, is still reeling from a recessionary hangover induced by the Persian Gulf War, Sportservice has added 10 new accounts to its portfolio.

During the past year ARA Services Inc. captured the business at the Baltimore Orioles new ball park, Oriole Park. The Philadelphia-based company also recently announced it had signed a 17-year agreement to provide foodservice at Coors Field in Denver, where major league baseball's new Colorado Rockies eventually will play.

Health care has also been a boon for contract feeders.

With more than 50 percent of its business coming from health-care accounts, Morrison's Custom Management has been immune to the ill effects of the economy.

During the past year company revenues have grown 20 percent, to nearly $425 million, and profits are up 18 percent, says John Pryor, senior vice president of marketing and corporate services.

He attributes such seemingly anomalous results to the company's strong grasp on the acute-care hospital segment. In addition, nearly 25 percent of the company's accounts are educational, forcing Morrison's to rely on B & I accounts for only 25 percent of its business.

To continue its upward trend, the company moved heavily into branding during the past year and emphasized its customer focus with an employee empowerment program based on customer and client evaluations in eight key areas. Morrison also invested heavily in its training programs to help managers improve those results.

Looking to bolster its presence in the lucrative health-care market, the Wood Co. earlier this year created a Hospital Food and Nutrition Services Division to hone in on the 100- to 400-bed hospital market in the Mid-Atlantic states.

In creating the division, the Allentown, Pa.-based company also freed its health-care division to pursue the rapidly growing long-term hospital, nursing-home and retirement community markets.

The Wood Co.'s new operation now has 18 hospital clients and expects to add three or four new contracts annually, explains Mitch Possinger, the division's vice president. Its primary competitors are ARA, Marriott Corp. and Morrison.

"Our feeling is there's room in the market for us," Possinger said when the division was formed. "We position ourselves as a $250 million-per-year company, so we are large enough to bring support to hospitals, but with only four levels of management between managers and the president, we are more personal."

Gardner Merchant Food Services Inc. moved into both the health-care and educational arenas during the past year as well. The Trumbull, Conn.-based company now has about a dozen accounts in each segment, notes Edward G. Leonard, the company's operations vice president.

"To be able to get into new markets has been a plus," Leonard points out, noting that while the company has retained its current B & I accounts, growth in new ones has slowed.

Phoenix-based Restaura Inc. is also expanding from the business-and-industry field into new markets.

"We're going to diversify," says Joseph K. Fassler, the company's president. "It's in our planning cycle right now. The workplace niche is very stagnant."

The company will focus on colleges to capitalize on the number of people who, unable to find jobs, are returning to school as well as on retirement facilities to capitalize on the growing ranks of seniors, Fassler observes.

In addition to diversifying their businesses, many companies increasing their emphases on culinary creativity.

Chefs at Marriott Corp.'s Marriott Management Services who were once bound to follow recipe cards and operations manuals are now encouraged to show off their cooking prowess, according to Charles "Chuck" O'Dell, the company's president.

"Today we provide strong resources, but we know we can't deliver the kind of quality our clients and customers expect by dictating from above," he says. "We give our people the power to run their businesses and deliver great-quality food."

Company chefs have formed local guilds nationwide to share food development ideas, O'Dell adds.

Branding also continued to play a big role in contract operations during the past year. At Marriott Corp.'s Host International division, it was largely responsible for maintaining business at the company's airport operations. Burger King, Pizza Hut and Taco Bell outlets are among those that now punctuate Host's air-terminal lineup.

"It's one of our main focuses," says Richard L. Sneed, Host's director of public relations. "We've concentrated our efforts there because branding keeps sales growth equal to or above last year's."

Turbulence in the airline industry caused by the recession and bankruptcies greatly affected airport foodservice operators and in-flight caterers during the past year.

"Every year has a different set of problems," says William C. Rolle, spokesman for Potomac, Md.-based Caterair International. "Last year it was the war, and this year some of the airlines are folding."

Aggressive international expansion by domestic airlines remains a saving grace for both the airlines and the flight caterers. The recent airline discount wars have also helped airline feeders, who are serving more fare to fuller flights, Rolle explains.

CONTRACT CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	8	Marriott Management Services	Dec. '92	30.87	4.68
2	6	The Wood Co.	Dec. '92	8.20	5.17
3	9	Gardner Merchant Food Services	Feb. '93	6.69	4.00
4	1	Morrison Custom Management	June '93	6.58	12.21
5	3	Host International	Dec. '92	5.00	7.14
6	17	Service America Corp.	Mar. '93	4.55	– 8.33
7	5	ServiceMaster Food Management Services	Dec. '92	2.86	5.66
8	12	Sky Chefs	Dec. '92	2.78	2.86
9	14	Dobbs International	Dec. '92	1.92	0.00
10	4	Ogden Allied Entertainment Services	Dec. '92	1.85	5.88
11	7	Restaura Inc.	Dec. '92	1.25	4.71
12	10	ARA Services/ARASERVE	Sept. '92	0.96	3.85
13	11	ARA Leisure Services	Sept. '92	0.00	3.45
14	13	Caterair International	Dec. '92	0.00	2.22
15	2	Dobbs Houses	Dec. '92	0.00	12.00
16	15	Seiler Corp.	Aug. '92	0.00	0.00
17	16	Canteen Corp.	Dec. '92	– 3.00	– 2.86
		AVERAGE:		4.15	3.69

*Projected
Source: NRN Research

CONTRACT CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units Current*	Last Full	Prior
1	2	Marriott Management Services	Dec. '92	3,014	2,303	2,200
2	1	ARA Services/ARASERVE	Sept. '92	2,726	2,700	2,600
3	3	Canteen Corp.	Dec. '92	1,649	1,700	1,750
4	4	Service America Corp.	Mar. '93	1,150	1,100	1,200
5	5	Morrison Custom Management	June '93	891	836	745
6	6	Gardner Merchant Food Servs.	Feb. '93	638	598	575
7	7	Restaura Inc.	Dec. '92	405	400	382
8	8	Seiler Corp.	Aug. '92	400	400	400
9	9	The Wood Co.	Dec. '92	330	305	290
10	10	ServiceMaster Food Mgmt. Servs.	Dec. '92	288	280	265
11	11	ARA Leisure Services	Sept. '92	150	150	145
12	12	Ogden Allied Ent. Servs.	Dec. '92	110	108	102
13	13	Host International	Dec. '92	63	60	56
14	14	Dobbs International	Dec. '92	53	52	52
15	15	Caterair International	Dec. '92	46	46	45
16	16	Sky Chefs	Dec. '92	37	36	35
17	17	Dobbs Houses	Dec. '92	28	28	25
		TOTAL:		11,978	11,102	10,867

*Projected
Source: NRN Research

HOTEL CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Foodservice Sales (By Fiscal Year, in Millions) Current*	Last Full	Prior
1	1	Marriott Hotels & Resorts	Dec. '92	$1,240.0	$1,194.0	$1,146.0
2	2	Hilton Hotels	Dec. '92	1,124.0	1,122.0	1,094.0
3	3	Sheraton Hotels	Dec. '92	1,031.9	1,017.9	1,095.1
4	4	Holiday Inns	Oct. '92	620.2	579.6	573.9
5	6	Radisson Hotels	Dec. '92	420.0	400.0	350.0
6	5	Hyatt Hotels	Jan. '93	408.0	407.0	381.9
7	7	Ramada Inn	Dec. '92	392.0	380.0	335.1
8	8	Westin Hotels	Dec. '92	331.0	307.0	288.5
		TOTAL:		$5,567.1	$5,407.5	$5,264.5

*Projected
Source: NRN Research

HOTEL CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	4	Westin Hotels	Dec. '92	7.82	6.41
2	7	Holiday Inns	Oct. '92	7.00	0.99
3	1	Radisson Hotels	Dec. '92	5.00	14.29
4	5	Marriott Hotels & Resorts	Dec. '92	3.85	4.19
5	2	Ramada Inn	Dec. '92	3.16	13.40
6	8	Sheraton Hotels	Dec. '92	1.38	– 7.05
7	3	Hyatt Hotels	Jan. '93	0.25	6.57
8	6	Hilton Hotels	Dec. '92	0.18	2.56
		AVERAGE:		3.58	5.17

*Projected
Source: NRN Research

Soft market plagues hotel foodservice

Despite slight forecasted gains, the nation's top hotel chains continue to suffer from the weak economy as consumers seek more bang for their dining bucks

by Ron Ruggless

After suffering miserable traffic in 1990 and 1991, foodservice in the nation's lodging industry shows signs of braking a slide, though growth remains soft and cost-cutting continues.

"Business is flat to soft," says Sean Handerhan, director of food and beverage marketing for Marriott Hotels, Resorts & Suites. "We don't see any indications that things are improving greatly or any indications that they are getting worse. We seem to have hit the bottom of the trough."

The eight hotel chains ranked in Nation's Restaurant News Top 100 study are projected to score barely a 3-percent rate of growth in foodservice sales this year, after posting a 2.7-percent gain in 1991.

This year's growth figure lags behind prevailing rates of inflation and compares unfavorably with the 4.4-percent jump in all hotel revenues forecast for 1992 by the accounting and consulting firm of Coopers & Lybrand.

Clearly, the segment-leading hotels in the Top 100 are having to battle for dining dollars as recession-dazed customers search for value and migrate toward less-caloric lodging options.

The growing regard for value last year raised demand for limited-service hotels — those with no, or limited, food and beverage services, according to Coopers & Lybrand's Bjorn Hanson.

"Upper limited-service hotels are replacing the traditional full-service hotel as the 'core' product of the hotel industry because of lower construction costs and better economics and because their revenue mix favors more profitable rooms over food and beverage," Hanson notes.

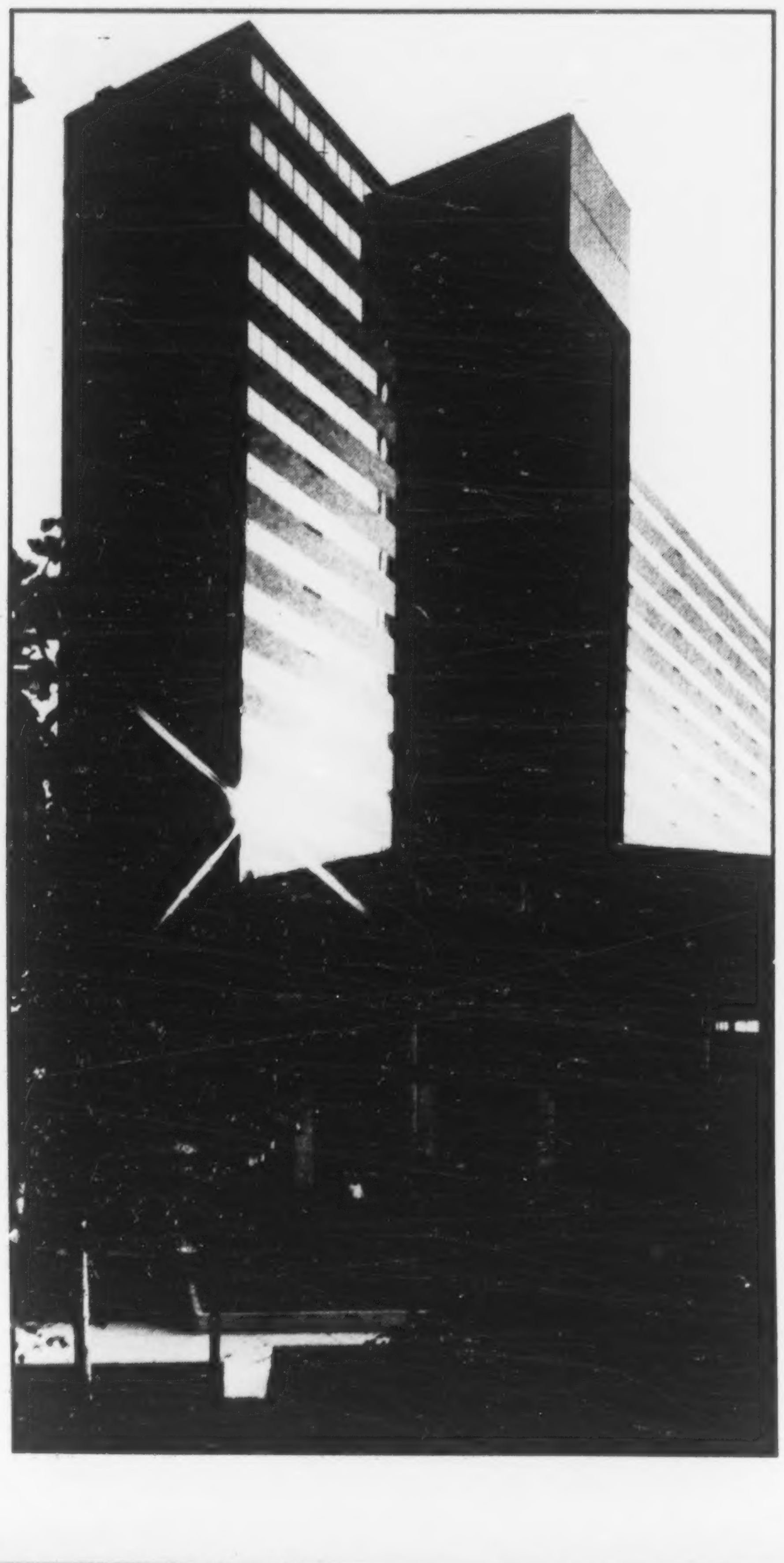
"High-quality rooms-only hotels offer consistent, high value at significant savings over more upscale alternatives," Hanson adds. "During an economic downturn these hotels attract more commercial travelers who do not want to pay for the 'image' offered by luxury properties."

Meanwhile, hotel food and beverage divisions continue to search for ways to trim fat from operations that have already undergone several years of budgetary liposuction.

"We're seeing soft growth," says Robert Dallain, vice president of food and beverage for Hyatt Hotels Corp.,

(See ***HOTELS***, page 112)

> "During an economic downturn these [high-quality rooms-only] hotels attract more commercial travelers who do not want to pay for the 'image' offered by luxury properties."
> — Bjorn Hanson



The Hyatt Regency Hotel is one of the many chains suffering in the soft market.

HOTEL CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sales of hotel chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	Marriott Hotels & Resorts	Dec. '92	22.27%	22.08%	21.77%
2	2	Hilton Hotels	Dec. '92	20.19	20.75	20.78
3	3	Sheraton Hotels	Dec. '92	18.54	18.82	20.80
4	4	Holiday Inns	Oct. '92	11.14	10.72	10.90
5	6	Radisson Hotels	Dec. '92	7.54	7.40	6.65
6	5	Hyatt Hotels	Jan. '93	7.33	7.53	7.25
7	7	Ramada Inn	Dec. '92	7.04	7.03	6.37
8	8	Westin Hotels	Dec. '92	5.95	5.68	5.48
		TOTAL:		100.00%	100.00%	100.00%

*Projected
Source: NRN Research

HOTEL CHAINS RANKED BY FOODSERVICE SALES PER HOTEL

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Foodservice Sales Per Hotel (By Fiscal Year, in Thousands) Current*	Last Full	Prior
1	1	Westin Hotels	Dec. '92	$9,457.1	$9,029.4	$8,742.4
2	2	Hilton Hotels	Dec. '92	4,250.0	4,100.0	4,075.0
3	3	Hyatt Hotels	Jan. '93	3,960.0	3,812.0	3,673.0
4	5	Sheraton Hotels	Dec. '92	3,428.2	3,522.1	3,750.3
5	4	Marriott Hotels & Resorts	Dec. '92	3,324.0	3,631.0	3,526.0
6	6	Radisson Hotels	Dec. '92	2,333.0	2,350.0	2,270.0
7	7	Ramada Inn	Dec. '92	604.0	633.0	659.0
8	8	Holiday Inns	Oct. '92	396.7	367.3	363.7
		AVERAGE:		$3,469.1	$3,430.6	$3,382.4

*Projected
Source: NRN Research

HOTEL CHAINS RANKED BY NUMBER OF U.S. HOTELS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	year-end Number of Units Current*	Last Full	Prior
1	1	Holiday Inns	Oct. '92	1,658	1,578	1,578
2	2	Ramada Inn	Dec. '92	649	600	508
3	3	Marriott Hotels & Resorts	Dec. '92	433	404	380
4	4	Sheraton Hotels	Dec. '92	301	289	292
5	5	Hilton Hotels	Dec. '92	247	257	262
6	6	Radisson Hotels	Dec. '92	180	170	154
7	7	Hyatt Hotels	Jan. '93	103	106	108
8	8	Westin Hotels	Dec. '92	35	34	33
		TOTAL:		3,606	3,438	3,315

*Projected
Source: NRN Research

HOTEL CHAINS RANKED BY GROWTH IN NUMBER OF U.S. HOTELS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	1	Ramada Inn	Dec. '92	8.17	18.11
2	3	Marriott Hotels & Resorts	Dec. '92	7.18	6.32
3	2	Radisson Hotels	Dec. '92	5.88	10.39
4	5	Holiday Inns	Oct. '92	5.07	0.00
5	6	Sheraton Hotels	Dec. '92	4.15	− 1.03
6	4	Westin Hotels	Dec. '92	2.94	3.03
7	7	Hyatt Hotels	Jan. '93	−2.83	− 1.85
8	8	Hilton Hotels	Dec. '92	−3.89	− 1.91
		AVERAGE:		3.33	4.13

*Projected
Source: NRN Research

Hotel foodservice plagued by soft market

(Continued from page 110)

"but we are also re-evaluating our product."

Dallain says Hyatt has scrutinized "every food item, looking for waste and savings. We've re-evaluated all pricing, including wine and beverages, consequently bringing prices down."

In addition, Hyatt Hotels introduced "Cuisine Naturelle,," which Dallain says "is a new way for us to do cooking" and is aimed at attracting health-conscious travelers, especially those on business trips.

"We studied this for more than a year," Dallain explains. "We found the customers are really concerned about diet and careful about calories."

Cuisine Naturelle dishes, offered at all three meals, were tested in Florida properties and rolled out nationally Jan. 15.

The selections make up 30 percent to 35 percent of the menus and include such breakfast items as apple-cinnamon oatmeal and cornmeal pancakes with apple compote. Soups and main courses are also in Hyatt's new health-oriented repertoire.

Dallain says Cuisine Naturelle replaces Hyatt's "Perfect Balance" menu and has seen good demand. "We also saw a decrease in our food and beverage costs," he adds.

First-quarter sales were better than those of the comparable quarter last year, Dallain says, leading him to see "a little bit of light at the end of the tunnel."

To boost summer vacation traveler traffic through the Labor Day weekend, Hyatt is offering two-tiered room rates, one including the morning meal and called "American Bed and Breakfast."

While Dallain says Hyatt has "an air of optimism" about the year ahead, his chief concern is the quality of service offered in the hotel restaurants. "We are especially looking at how we train managers and line employees."

Service is also a primary concern at Marriott Hotels, Resorts & Suites.

"The last 18 months to two years has allowed us to take a long-term look at our operations," says Marriott's Handerhan. "Our smaller properties are already to the bone. They have less fat to cut, but we're looking at labor efficiency.

"We are moving forward to move labor from the back of the house to the front," he remarks. Marriott is trying to effect efficiencies in the kitchen so more labor can tend to customers. "We're becoming more customer-focused," Handerhan says.

Labor, he says, is the major variable for hotels after nearly two years of cutting food costs. "We're working hard to find motivated, trainable people who want to work in the industry," he adds. "We're also going to have do a better job of designing the roles they play, allowing more flexibility that enhances their work experience."

Handerhan expects that by 1993 Marriott will have "healthy food, good-for-you" menus at most hotels although the move is one the hotel chain is planning cautiously.

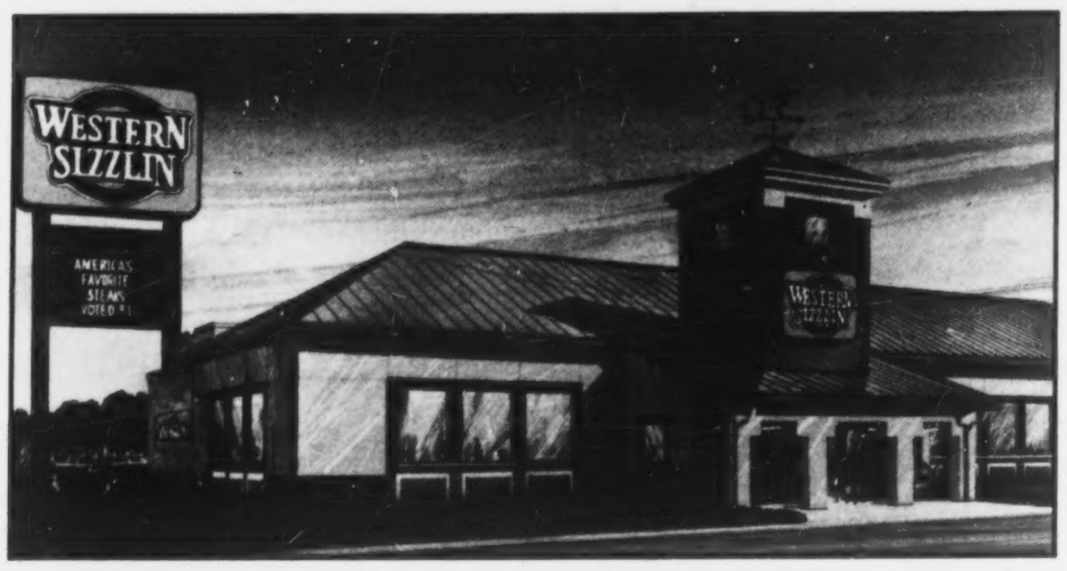
Promotions are also being undertaken cautiously, tending toward more "value-added" campaigns, such as one with Nestlé ice cream.

"When customers buy the ice cream, they get a coupon for kids to eat free at a Marriott restaurant," Handerhan explains. "That gives customers a reason to go into a hotel."

Lodging-industry analysts, expecting room demand to grow and supply to remain flat, are optimistic that hotel occupancy rates will rise sharply in the next two years, from 61.9 percent in 1992 to 65.9 percent in 1994, according to a Coopers & Lybrand estimate.

That optimism is shared by the food and beverage divisions of the hotels, too.

"I'm an eternal optimist," remarks Hyatt's Dallain. "I don't believe the old saying of 'As long as change is inevitable, success is not.'"



Left: An artist's rendering of an updated Western Sizzlin unit. Right: Western Steer is embarking on a chainwide renovation plan.

Western Steer Family STEAKHOUSE

Steak chains strive to strengthen niche

Segment leaders focus on unit updates, grill upgrades and bakery rollouts to spice up tired stores and keep outsiders from invading their market

by Jack Hayes

With the restlessness of a beaver colony, the nation's dominant steak chains are reinforcing their concepts, menus and marketing programs to keep competitors from intruding on a solid market niche.

While some of the chains are experimenting with bakery tests and with brunch and buffet dayparts to broaden their reach and their appeal, others are trying major overhaul tactics to breathe new life into struggling markets and tired stores.

The segment-leading Sizzler chain — the first to diversify from the budget-steak formula in the early 80s with the introduction of salad bars and the expansion of its grill business — is about to steer onto yet another new course.

> “We're returning our stores to the grill side of the business — developing completely new products to make that the core of our operation.”
> — J. Hugh Duncan
> Sizzler president

“We're returning our stores to the grill side of the business — developing completely new products to make that the core of our operation,” says J. Hugh Duncan, president of Sizzler USA, the 635-unit domestic arm of Los Angeles-based Sizzler International Inc.

Duncan hints at possible logo changes, suggesting that Sizzler will stay the dominant name but that new subheadings may be forthcoming. Those monikers would replace the Buffet Court & Grill tag in the wake of Sizzler's decision to de-emphasize its self-service scatter bar and buffet food island format, which created unforeseen problems for the chain in recent years by boosting food and labor costs while shrinking average guest checks.

According to Duncan, Sizzler USA, which will open 10 new units in the new fiscal year, sees itself settling “somewhere between the coffee houses and the ubiquitous casual dining concepts.”

“The name is Sizzler,” explains Duncan, “but whatever we put under it has to make us feel good. We'll continue with extensive salad bars. Bakeries, though, are not part of our strategy. We tested them in Chicago; they did reasonably well. We just think they take away our focus.”

But even if Sizzler isn't excited about bakeries, that hasn't stopped steak-house operators in the South from savoring big traffic and sales increases as their new bakeries continue to be installed.

Raleigh, N.C.-based Golden Corral, with 450 units, is focusing its entire growth on the well-publicized Metro concept, showcasing in-house bakeries and 100-item food bars in 11,000- square-foot restaurants that seat 450 guests.

The move is bolstering average unit volume — from $1.05 million to $1.2 million for the Golden Corral chain, whose systemwide sales are projected to reach $493 million in its current fiscal year. Ultimately, Golden Corral sees itself wedged in a niche between the budget steak-house and the family restaurant segments.

Meanwhile, 150-unit Western Steer, based in Claremont, N.C., is embarking on a chainwide renovation strategy, which includes average spending of $150,000 per unit.

The focal point of Western Steer's retrofit package — featuring interior canopies and neon with deep green in the color scheme — is an exhibition bakery, according to Jimmy Richardson, the chain's executive operations vice president.

Western Steer is declaring minimum sales gains of 60 percent from the 12 units so far retrofitted, with 40 more branches scheduled for upgrading in 1992. Some of the made-over units are doubling their weekly volumes, Richardson reports.

The chain will end its year with estimated sales of $151 million, approaching $1 million per unit.

All the same, Western Steer operators have been struggling severely. The chain had more than 200 units in 1988 but since has shrunk by 25 percent — a fact the company blames on recession and encroaching competition.

Western Steer founder Charles Connor, who remained a franchisee after selling the chain in 1988, said his old units were so unprofitable that he and partner Dent Miller were forced to invent a new concept, Sagebrush Steakhouse & Saloon, to which eight former Western Steers have been converted.

Yet Connor hasn't given up on Western Steer. He is ordering the chain's new retrofit for three of his West-ern Steers, confident that the food bar and bakery package will improve cover counts and check averages at those stores.

Other chains moving into the bakery

*(See **STEAK CHAINS**, page 128)*

STEAK CHAINS RANKED BY U.S. SYSTEMWIDE SALES

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, In Millions) Current*	Last Full	Prior
1	1	Sizzler	April '93	$ 860.0	$ 850.0	$ 840.0
2	2	Ponderosa	Feb. '93	747.5	767.3	729.7
3	3	Golden Corral	Dec. '92	493.0	454.7	438.6
4	6	Ryan's Family Steak House	Dec. '92	431.0	355.0	331.0
5	4	Western Sizzlin'	Dec. '92	356.9	381.9	416.3
6	5	Bonanza	Feb. '93	302.4	356.3	401.4
7	7	Quincy's	Dec. '92	290.0	283.3	281.5
		TOTAL:		$3,480.8	$3,448.5	$3,438.5

*Projected
Source: NRN Research

STEAK CHAINS RANKED BY U.S. SYSTEMWIDE SALES GROWTH

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change '92 vs. '91*	'91 vs. '90
1	1	Ryan's Family Steak House	Dec. '92	21.41	7.25
2	3	Golden Corral	Dec. '92	8.42	3.67
3	5	Quincy's	Dec. '92	2.36	0.64
4	4	Sizzler	April '93	1.18	1.19
5	2	Ponderosa	Feb. '93	− 2.58	5.15
6	6	Western Sizzlin'	Dec. '92	− 6.55	− 8.26
7	7	Bonanza	Feb. '93	−15.13	−11.24
		AVERAGE:		1.30	− 0.23

*Projected
Source: NRN Research

STEAK CHAINS RANKED BY TOP 100 MARKET SHARE

(share of aggregate sales of steak chains in Top 100)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Annual Market Share Current*	Last Full	Prior
1	1	Sizzler	April '93	24.71	24.65	24.43
2	2	Ponderosa	Feb. '93	21.47	22.25	21.22
3	3	Golden Corral	Dec. '92	14.16	13.19	12.76
4	6	Ryan's Family Steak House	Dec. '92	12.38	10.29	9.63
5	4	Western Sizzlin'	Dec. '92	10.25	11.07	12.11
6	5	Bonanza	Feb. '93	8.69	10.33	11.67
7	7	Quincy's	Dec. '92	8.33	8.22	8.19
		TOTAL:		100.00	100.00	100.00

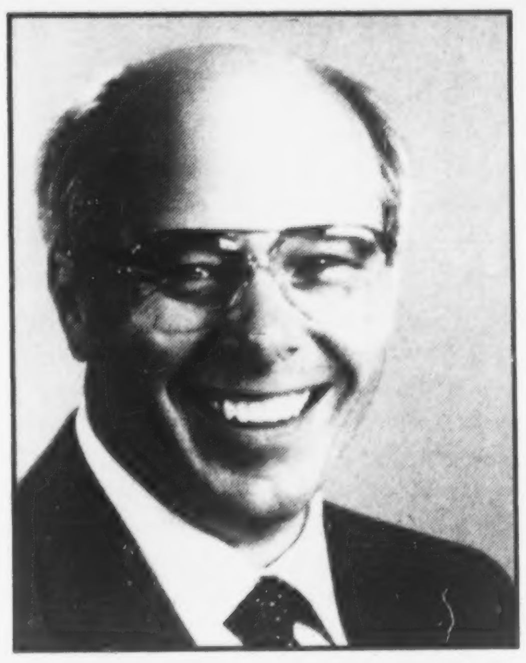
*Projected
Source: NRN Research

STEAK CHAINS RANKED BY SALES PER UNIT

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, In Thousands) Current*	Last Full	Prior
1	1	Ryan's Family Steak House	Dec. '92	$2,200.0	$2,100.0	$2,300.0
2	2	Sizzler	April '93	1,550.0	1,540.0	1,600.0
3	3	Quincy's	Dec. '92	1,300.0	1,300.0	1,300.0
4	4	Golden Corral	Dec. '92	1,200.0	1,052.0	947.0
5	5	Ponderosa	Feb. '93	994.0	990.0	986.1
6	6	Western Sizzlin'	Dec. '92	962.0	950.0	942.0
7	7	Bonanza	Feb. '93	960.0	950.0	940.0
		AVERAGE:		$1,309.4	$1,268.9	$1,287.9

*Projected
Source: NRN Research

> “It's how we're going to be doing business in our restaurants from now on. If you're not satisfied, we'll make it right or your next meal will be free.”



Edward H. Rensi, McDonald's

Sandwich giants wage customer-service war

(Continued from page 95)

with new gusto that gives customers a free meal if, for any reason, they are not satisfied about food quality or service level.

McDonald's customer service guarantee policy was unfurled nearly two years after the chain joined the segment's discount battles. Up until then the company avoided the price wars by staying on the sidelines as it watched same-store sales averages soften.

But at its annual shareholders' meeting this past spring, McDonald's executives, expressing confidence that its value menu combo deals have been well received by consumers, stressed that customer service would be its point of departure from the rest of the segment in the coming years.

“It's how we're going to be doing business in our restaurants from now on,” Edward H. Rensi, president of McDonald's USA, told investors. “If you're not satisfied, we'll make it right or your next meal will be free.”

Part of the company's newfound interest in customer service utilizes customer comment cards, a tactic several chains have utilized in the past.

Not to be outdone amid the segment's burgeoning interest in customer service is Hardee's, which is pursuing a goal to become nothing less than “the best restaurant in the neighborhood.”

While that objective has not factored into any advertising campaigns, chain president Bob Autry outlined the program before Hardee's franchisees several weeks ago. In addition to focusing on service speed, the chain is taking such steps as using door greeters and having employees in the seating area ask guests about food quality.

Family chains fight outside competition

(Continued from page 80)

ically new casual-themed concept located in the Cincinnati suburb of Wyoming, Ohio. The 52-seat facility features a turn-of-the-century Victorian firehouse decor and boasts such menu items as rotisserie chicken, honey-crackling ham, fresh cornbreads and an array of dessert cobblers. The 800-unit chain has yet to indicate when or if future Company C units will open.

Marie Callender's, the restaurant chain that pioneered the on-premises baking of numerous fresh pie varieties, recently began offering a series of new lunch and dinner entrée specials on menu-insert “fresh sheets” that put particular emphasis on fresh-fish dishes.

The Orange, Calif.-based chain also began advertising on TV for the first time in four years. Demonstrating the cross-segment influences of fast food's “value” pricing strategies, one Marie Callender's commercial illustrates how “a family of four can dine for under $19.”

Among the chain's new menu offerings are a “Cabo San Lucas” salad, a chicken Caesar salad, a giant stuffed potato and such new pie varieties as chocolate satin, strawberry Boston cream and chocolate macadamia nut.

Marie Callender's also is engaged in a test with Marriott's Host International division to add Marie Callender's proprietary pies and tarts to Host's foodservice operations at Los Angeles International Airport.

Both companies are reportedly negotiating to expand the test to other Host locations.

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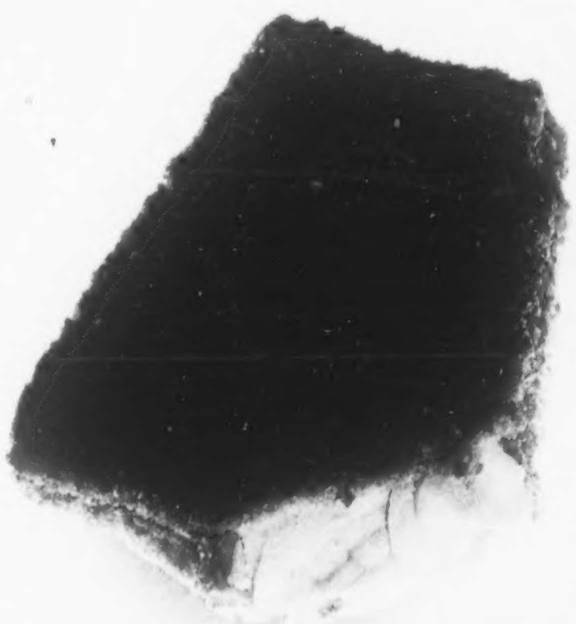
ONE GREAT SHAPE



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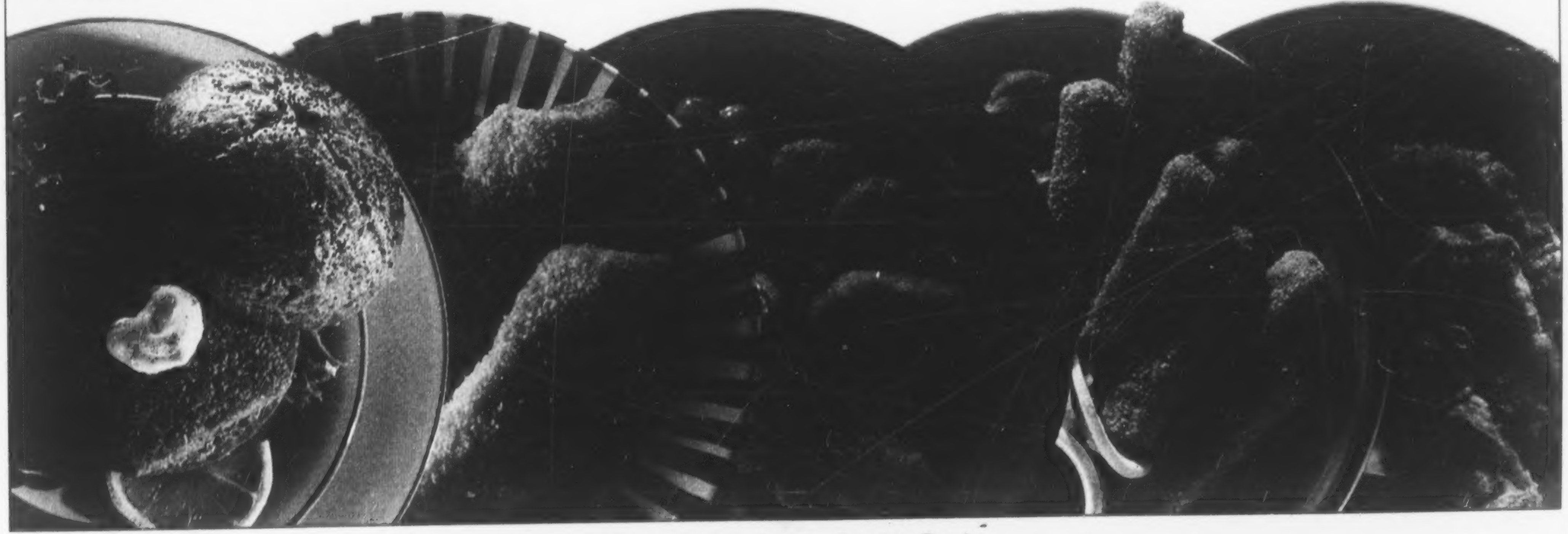

Circle 145 on Reader Service Card

Dinner houses still riding the expansion wave

(Continued from page 74)

tors have begun exploring the use of downsized prototypes and non-traditional venues as a means of building name awareness and revenues.

The truncated Benningan's and Chi-Chi's El Pronto mall concepts are two that are associated with the Supreme Court, a venture designed to put restaurant logos and prepared foods into supermarket food courts centered around a large common kitchen.

"Supermarkets are getting better and better and bigger and bigger, and they definitely represent a threat," Chi-Chi's executive vice president, Joe Micatrotto, remarks. "I see this [Supreme Court] as somewhat of a realization of the inevitability of [the supermarket food-court] concept. And if we don't do it, someone else will."

In the Top 100 dinner-house-development derby, Red Lobster and Olive Garden — both of which relied heavily on conversions at the outset of their aggressive expansion drives — have turned their attention to small towns.

Traditionally, Red Lobster entered cities only with populations of 100,000 or more and then only when such cities were near other municipalities. Now, however, the company targets communities of 60,000 to 70,000 people — even cities with no contiguous neighbors. The strategy was made possible by the company's 1987 decision to use network television advertising.

"It made us stop and think," president Jeffrey O'Hara says of Red Lobster's switch to network television. "There is a lot of opportunity out there where our signal reaches, and we don't have any restaurants."

Taking a "one-size-fits-all" approach, Red Lobster builds its standard 8,300-square-foot restaurant prototype in the secondary markets. Explains O'Hara, "We found that if you don't have [big-restaurant] seating on Friday and Saturday night in these small communities, you can't do the business."

Small-town units, Red Lobster officials say, are generating annual sales of about $2.3 million, compared with the $3 million average for metropolitan area restaurants.

The lower level of sales from Red Lobster's small-city units was cited as a contributing factor behind a 3 percent decline in the chain's sales-per-unit average for the recently ended fiscal year. But the small-market restaurants apparently equal the return on investment of their metropolitan area counterparts because they cost approximately 23 percent to 30 percent less to build.

Some observers view the small-market strategy as a way for Red Lobster and Olive Garden to use their size and financial resources to tie up the best sites in promising communities at low lease rates in anticipation of better days and heavier competition ahead.

Anticipating greater franchising activity — and, with it, the need to lower development costs and provide a design suitable for secondary markets — T.G.I. Friday's has developed a new, smaller restaurant prototype. Friday's officials also view it as a tool that will allow them to cluster additional units in established metro markets.

The latest-generation Friday's prototype takes up about 5,200-square feet, some 3,000 square feet less than the older model does, and features a smaller bar that has been relocated from the center of the space to the side. "It didn't make sense to continue building that big bar in the middle when beverage sales as a percentage of total sales are declining," says T.G.I. Friday's president, Richard Rivera.

Friday's new prototype also features a trim package that brightens the decor and gives it a bistro look, as opposed to the concept's original fern-bar feel. In short, the chain's new prototype is closer in size and ambience to the leaner and meaner units operated by other chains on the rise in the '90s, including Chili's and Applebee's, than it is to the restaurants of long-time conceptual competitor Bennigan's.

(Continued)

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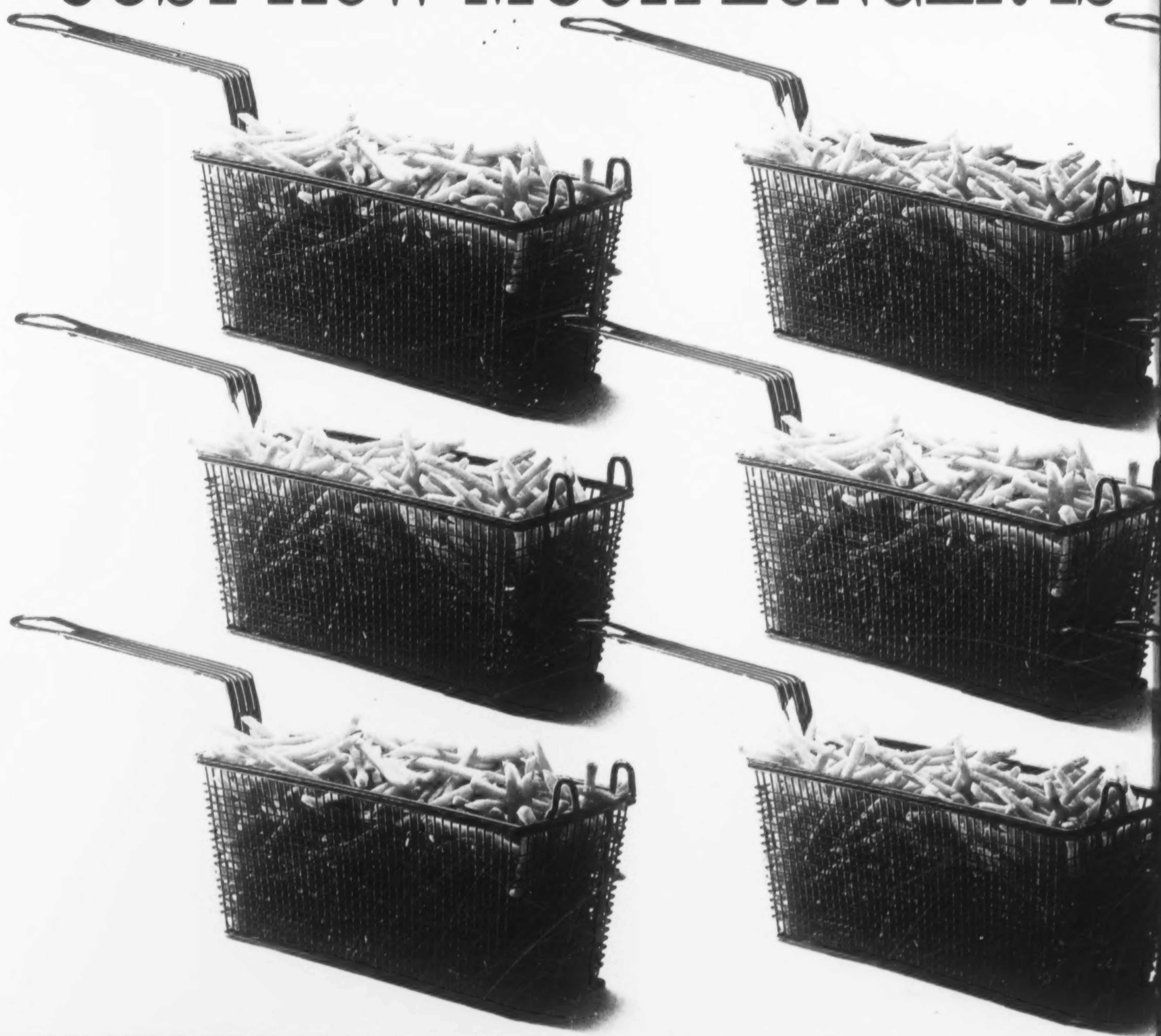

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NRN TOP 100

Dinner houses still riding the expansion wave

Efforts to create a clear identity among the seemingly endless number of chains and independents will be increasingly important, some analysts say.

"We do think that there is going to be a real emphasis on competitive differentiation," Technomic's Kruse remarks. "The chain segment is becoming rather crowded, and there will probably be some marginal players who won't survive."

El Torito's Casey is well aware of the need to stand out from the pack. He notes that the chain, which is fighting back from a sizable drop in same-store sales last year, did some research and found "there is a lot of parity among Mexican restaurants."

"Guests are having a hard time differentiating one [chain] from the other," Casey points out.

To make matters worse, he continues, "this segment has been under quite a bit of pressure because the rest of the casual concepts, such as Applebee's and Chili's, have taken two or three of our products and done a pretty good job with them." Fajitas, quesadillas and nachos are among the appropriated dishes once offered almost exclusively by Mexican theme restaurants but now handled deftly by others, Casey explains.

El Torito is responding to those challenges by upgrading some of its product specifications and borrowing menu ideas from its four upscale El Torito Grill restaurants. Among other changes, El Torito replaced frozen meats and chicken with fresh product, eliminated the use of processed avocado pulp in favor of fresh avocados and began flavoring its rice with roast red peppers instead of tomato.

Technomic's Kruse sees differentiation through the development of new categories of ethnic dinner houses as a distinct possibility in the '90s.

"Olive Garden was a major breakthrough in an area analysts say would never succumb to chaining — Italian restaurants, the bastion of moms and pops," she says. "We expect to see the emergence of ethnic dinner-house chains in categories that never existed before, things such as Chinese."

Pizza chains chart ambitious growth

(Continued from page 87)

line sales."

While those companies are using technology to micro-market, other chains like Godfather's and Papa Gino's are relying on increased advertising spending to reach their customers. Although Godfather's Cain would not disclose figures, he said the company has boosted its advertising budget and is "doing more in-store, radio and print" promotion.

Papa Gino's is tapping increased advertising and local demographics. "We have doubled our marketing budget in 1992 vs. 1991," says Papa Gino's Grimm. "We are trying to make more effective use of print and radio and doing chain-wide events," Grimm explains. He also says Papa Gino's is trying to run the chain "one restaurant at a time'" by "taking advantage of what each trade area and demographics have in store."

Aside from trying to build top-of-mind awareness with advertising, some operators are focusing on non-traditional sites to tap captive audience and in-transit markets. Hotels, for example, are quickly finding food-service partners in the pizza segment.

Domino's recently inked a deal to provide direct delivery to Holiday Inn Express units, and Pizza Hut is making its way nationally into many Marriott-run hotel properties.

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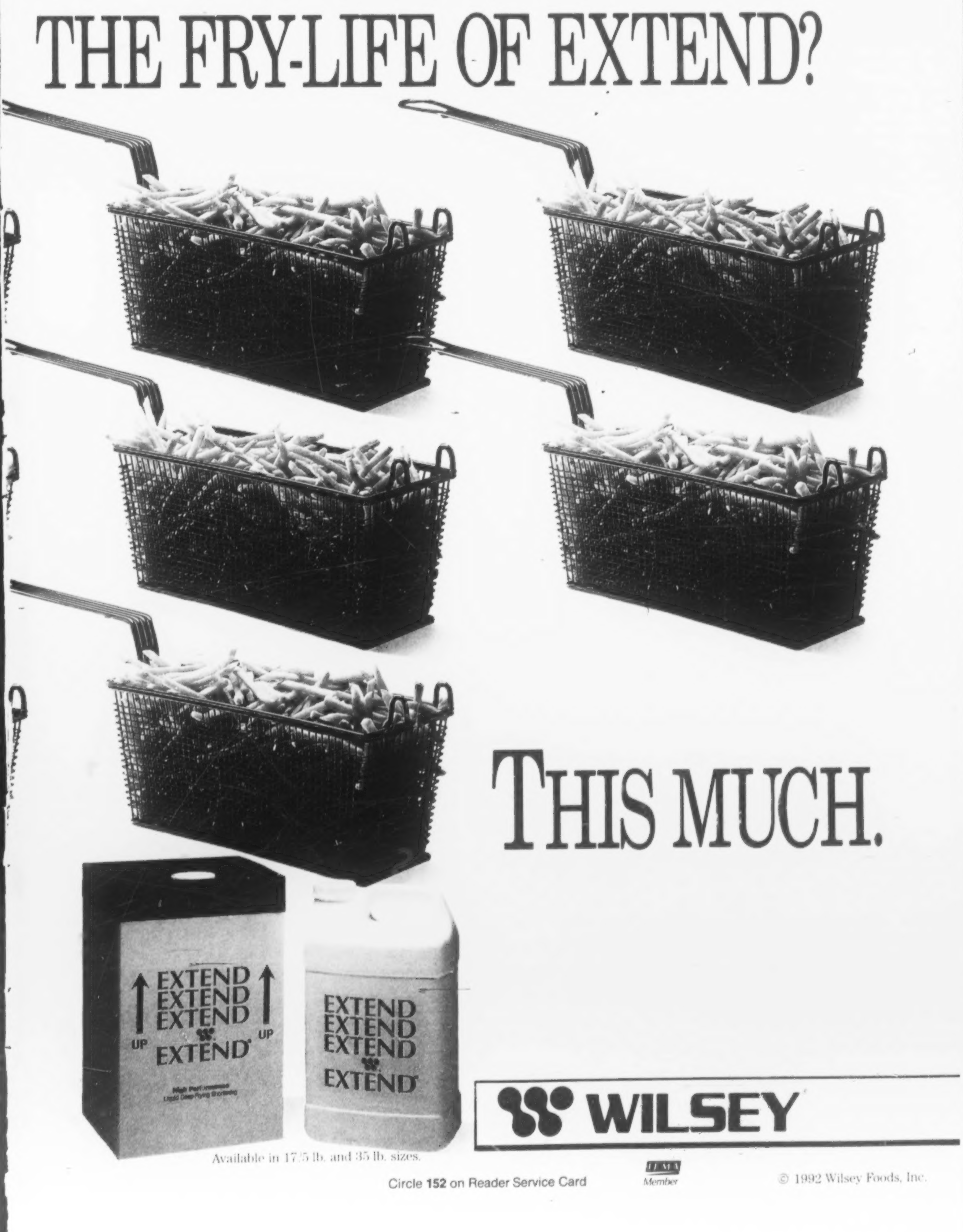

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STEAK CHAINS RANKED BY NUMBER OF U.S. UNITS

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Year-end Number of Units		
				Current*	Last Full	Prior
1	1	Ponderosa	Feb. '93	752	775	740
2	2	Sizzler	April '93	645	638	628
3	3	Golden Corral	Dec. '92	450	450	445
4	4	Western Sizzlin'	Dec. '92	371	402	442
5	5	Bonanza	Feb. '93	315	375	427
6	6	Quincy's	Dec. '92	221	216	212
7	7	Ryan's Family Steak House	Dec. '92	203	177	159
		TOTAL:		2,957	3,033	3,053

*Projected
Source: NRN Research

STEAK CHAINS RANKED BY GROWTH IN NUMBER OF U.S. UNITS

(Year-to-year percentage change)

1992 Rank	1991 Rank	Chain	Fiscal Year Ends	Percentage Change	
				'92 vs. '91*	'91 vs. '90
1	1	Ryan's Family Steak House	Dec. '92	14.69	11.32
2	3	Quincy's	Dec. '92	2.31	1.89
3	4	Sizzler	April '93	1.10	1.59
4	5	Golden Corral	Dec. '92	0.00	1.12
5	2	Ponderosa	Feb. '93	– 2.97	4.73
6	6	Western Sizzlin'	Dec. '92	– 7.71	– 9.05
7	7	Bonanza	Feb. '93	–16.00	–12.18
		AVERAGE:		– 1.23	– 0.08

*Projected
Source: NRN Research

Steak chains

(Continued from page 115)

niche include 200-unit Ryan's Family Steak House, based in Greer, S.C. Ryan's, which had introduced the concept of all-you-can-eat self-service with an 80-item "Megabar" several years ago, is now rolling bakeries chainwide.

The first Ryan's bakeries, however, were tested by the chain's franchisee Family Steak Houses of Florida Inc., based in Neptune Beach.

In April, 28-unit Family Steak Houses also began testing weekend buffet-breakfast with immediately positive results, according to president James Osborn.

Ryan's Family Steakhouse is rolling bakeries nationwide.

Over a year ago, 218-unit Quincy's Family Steakhouse — part of Spartanburg, S.C.-based TW Services — finished rolling a weekend buffet-breakfast program to complement its Country Sideboard all-you-can-eat lunch and dinner bar.

Quincy's now is also operating take-out bakeries in its stores, following a test that began somewhat more than a year ago.

And 370-unit Western Sizzlin, whose headquarters are in Dallas, is watching stores come alive with new dining-room bakeries. The bakery program now extends to 40 Western Sizzlin restaurants and remains part of a painstakingly developed strategy to strengthen relations between the company and its franchisees, according to operations vice president Bill Burnett.

From a base of more than 600 units when the 30-year-old chain was bought from its founders in 1988, Western Sizzlin's numbers have fallen dramatically. However, the system is now poised to rebuild, according to Burnett.

"We're finally at a positive stage," he says. "We have a franchisee-controlled advisory committee, and we're on track to break the $1 million-per-store sales mark for the first time ever."

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THE NEWSWEEKLY OF THE FOODSERVICE INDUSTRY®

SECOND CLASS

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NRN Photo

Knott's Camp Snoopy amusement park anchors Mall of America.

Cheers, some fears greet Minn. debut of biggest US mall

by Carolyn Walkup

BLOOMINGTON, Minn. — Mall of America — the nation's largest enclosed shopping center featuring 57 restaurants — opened here Aug. 11 with the most fanfare since the Minnesota Twins won the pennant.

Roughly the size of Chicago's Merchandise Mart, the mall sprawls over 78 acres with 4.2 million square feet of floor space and includes the world's largest indoor theme park, Knott's Camp Snoopy; 250 stores; 14 movie theaters; and 13,000 parking spaces. About 10,000 employees are needed to fully staff the huge center.

And, according to one estimate, it would take someone several 12-hour days to visit every store, restaurant, nightclub and ride in the center.

Developers of the $625 million mall, the Triple Five Corp. of Edmonton, Alberta — best known for the 10-year-old, 800-store West Edmonton Mall — and partner Melvin Simon & Associates of Indianapolis, said that the mall has the potential

(See *MALL*, page 4)

Houston operators prep for the Grand Old Party

Restaurateurs welcome Republican convention and a chance to bask in the national spotlight

by Ron Ruggless

HOUSTON — With 5,000 Republican Party convention delegates converging here this week, along with 15,000 media representatives and 20,000 guests and technicians, the city's restaurateurs and caterers have braced for some grand old parties.

The GOP convention is expected to pump $6.7 million into the Houston economy, about $1.1 million — or 17 percent — of that for food, according to Donald Ward, director of sales with the Houston Convention and Visitors Bureau.

But while some restaurants' private rooms — like those at the Southwestern pioneer Cafe Annie — were booked within days of the convention's announcement in January 1991, restaurateurs say the political convention in President George Bush's adopted hometown does more to raise their profiles than their profits.

Tony Vallone, of Tony's restaurant, says: 'It's really an excellent opportunity to showcase what our restaurants have to offer.'

"It's really an excellent opportunity to showcase what our restaurants have to offer," said Tony Vallone, owner of the posh Tony's restaurant as well as several other newer Italian spots. "We want to make a good

(See *HOUSTON*, page 60)

INSIDE

NY's '92 promo lures fine diners
NRN Editorial/Page 19

Table d'hôte is in
Segment Study/Page 27

Industry hails chef Paul Bocuse
Page 34

ABC's Brinkley will headline MUFSO

Brinkley

DALLAS — David Brinkley, a 48-year veteran of broadcasting and the dean of ABC News, will be a keynote speaker at Nation's Restaurant News' Multi-Unit Food Service Operators conference (MUFSO) here.

"The View from Washington" will be Brinkley's topic for his luncheon address on Monday, Sept. 21.

A highly respected political reporter, Brinkley has covered every presidential election and nominating convention from 1956 and has written about every chief executive since FDR. He has been a dominant force in journalism since he teamed with the late Chet Huntley to anchor NBC's "The Huntley-Brinkley Report," also in 1956.

Brinkley, who has won every major broadcasting honor, including 10 Emmy Awards and two George Foster Peabody Awards, premiered his distinguished "This Week With David Brinkley" on ABC in November 1981.

Following eight years as

(See *BRINKLEY*, page 60)

Franchisees buy Pioneer Chicken, ending 2nd Ch. 11

by Richard Martin

LOS ANGELES — Surviving franchisees of Pioneer Chicken have acquired the decimated chain in a bankruptcy court action, all but ending a strife-torn and litigious decade that saw the international fast-food system shrink from more than 300 branches to 90 regional locations.

PIONEER
PIONEER

UFO president Rod Jarboe, right, congratulates franchisee Hong Lee.

As the humbled fried-chicken outfit was plucked from a Chapter 11 reorganization for the second time since 1989, the hopeful operators of Pioneer's remaining restaurants began plotting a recovery course as the new masters of their own business destiny.

"Our long-range plans are to attract an investor to put some money into our stores," said Pioneer franchisee Rod Jarboe, who was named presi-

(See *PIONEER*, page 61)

THIS WEEK

NEWS

7 Team USA hits grueling final stretch
7 CHRIE participants: Ethics are key issue
34 Industry hails Bocuse as 'Chef of the Century'
46 Pizza Inn finds prospects south of the border
51 Long Island Barrel Tasting slated for August

FOOD

11 Fabricant/Seafood makes a splash
11 Food Digest
11 What's Hot in Burlington, Vt.

MARKETING

12 Wok Fast gains fame with jab at LAPD's Gates
12 Shoney's to roll shrimp dinner promo
12 McD, Mattel in premium redux
12 BK, newspaper team for Columbus promo
12 Domino's selects Ross Roy Advertising
12 Ad Watch

FINANCIAL

14 Marketing, new products boost Krystal in 2nd Q
14 Food Price Outlook
14 TW Holdings narrows 2nd-Q losses
14 Skeptics question Buffets' 2nd-Q net
14 Checkers offers 2-for-1 stock split
14 Riot claim boosts Hamlet's 2nd-Q net

COAST TO COAST

16 New owner propels 1848 House into the '90s
16 Walkup/Capitaninis breathe life into Italian Village
16 Coast to Coast Digest

SUPPLIER NEWS

43 Recipe contest, prizes to beef up Beef Cook-Off
43 Broiler Council heats up with National Chicken Month
43 Supplier Digest

OPINION

19 NY '92's discount promo lures fine-dining lovers

FINE DINING

27 Hot table d'hote: The fixed price is in

OPERATIONS

22 Hochstein/South African wines — en route to US

FEATURES

19 Letters
22 Side Dishes
39 Calendar of Events
46 Book Digest
48 Product Showcase
53 Foodservice Mart
60 Advertiser Index

NRN DIRECTORY

For complete directory, see **page 19.**

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NEWS BRIEFS

Furr's/Bishop's signs on Hyde, ex-Miami Subs VP, as division prexy

LUBBOCK, Texas — Just weeks after his abrupt resignation as executive vice president of Miami Subs, William L. Hyde, the ex-president of the Chart House and Atlanta-based Del Taco chains, has been named family division president of Furr's/Bishop's Inc.

Hyde, whose appointment was disclosed by company president and chief executive William E. Prather, now heads a 140-unit group comprising the flagship Furr's and Bishop's cafeterias, four casual ZooKinis units and the two Furr's Family Buffet food-bar prototypes. The Lubbock-based company's eight El Paso Barbecue units are in a separate division.

The new Furr's Family Buffet, whose initial branches are in Merriam, Kan., and Sioux Falls, S.D., "more than likely will be a major growth concept" for the company, said Hyde, three days after taking office.

Explaining his departure after just three months at the Ft. Lauderdale, Fla.-based sandwich chain, Hyde said, "The corporate environment at Miami Subs was not conducive to my style of management."

Hyde said the previously reported resignation of C. Ronald Petty as Miami Subs' president and chief executive was submitted by Petty the day after Hyde's departure. Gus Boulis, founder and chairman of Miami Subs, was left to assume the duties of both industry veterans.

Boston City Council passes condom machine ordinance

BOSTON — The City Council has passed an ordinance that would require establishments holding seven-day entertainment licenses — which would include most of this city's restaurants and bars — to install coin-operated condom-vending machines.

The ordinance — which is intended to help stem the spread of sexually transmitted diseases, including AIDS — mandates that the machines be located in a publicly accessible place or in both the men's and women's rooms. Religious groups with seven-day entertainment licenses and those holders without restrooms would be exempt from the ordinance.

The mayor has until Aug. 24 to sign or veto the ordinance.

Meanwhile, the Massachussets Restaurant Association is challenging the legality of the measure. "We maintain that this is not legal," said Peter Christie, the association's executive vice president. "The restaurant association feels that the city counselors are not the people that are empowered to put limitations on entertainment licenses."

Members of the restaurant association vary in their support of the measure, Christie said. But, he added, "We as an association are opposed to any sort of mandate like this. I think many people are opposed to finding themselves in the restaurant business and being mandated to distribute condoms."

Many restaurants and bars in nearby Cambridge, Mass., are already required by their local health department to install and maintain the vending machines.

McD puts brakes on dinner tests

OAK BROOK, Ill. — McDonald's is temporarily halting dinner menu tests and is returning the project to company test kitchens here after the year-long marketing experiment in at least two cities.

Company spokesmen would not state why the test was being pulled or when it might be resumed, but insisted that the burger behemoth was committed to developing a distinct dinner day-part.

Late last summer the company began selling roasted chicken, spaghetti and meatballs and fettuccine Alfredo in 70 McDonald's units as a prelude to the intended rollout of pizza. Restaurants in Rochester, N.Y., and Nashville, Tenn., participated in the pasta and chicken test, while another 500 units sold pizza as part of a three-year-old evaluation of that product.

During McDonald's annual shareholders meeting in May, executives told a gathering of reporters that years of testing may be needed before the chain would launch a dinner menu systemwide.

Chicago ballot threatens alcohol restaurant sales

CHICAGO — Referenda proposing to ban the sale of alcoholic beverages in 22 precincts could be on the November ballot here.

Among the precincts included is the 41st Precinct of the 43rd Ward, which includes seven restaurants and five taverns in the Halsted Street district. Among them are Charlie Trotter's and Cafe Ba-Ba-Reeba!

The restaurants have banded together as the Lincoln Park Hospitality Council to fight the move and to alert voters that restaurants as well as bars would lose their liquor licenses if a majority of voters choose to make the precinct dry.

Euro Disney group cuts room rates at six hotels

PARIS — Euro Disney SCA, which is slashing room rates at its six resorts to spur attendance, plans to shutter its top-of-the-line Newport Bay Hotel from October through most of April to adjust for seasonality of demand, according to a Dow Jones news report quoting a spokesman for the new theme park.

The park's Santa Fe Hotel, for example, has cut its nightly rates by 36 percent, to 550 francs, and plans to drop them again to 450 francs in the off-season, the report said.

However, all the hotels, totaling 5,200 rooms, are currently enjoying a 100-percent occupancy rate, the spokesman is quoted as saying.

News of the rate adjustments and planned closure of the 1,100-room hotel comes as pundits say the massive Walt Disney Co. development faces ongoing challenges in its quest to tap a core clientele of Parisians, who typically take family outings only on Sundays and traditionally vacation en masse during August. Attendance at the park, outside Paris, is reportedly lagging behind projections.

LJS franchisee spawns fast-fish double drive-thru

JASPER, Ind. — A Long John Silver's franchisee here has opened the chain's first double-drive-thru unit, which is believed to be the first such car-focused format launched by a seafood concept.

Buehler-Ruckriegel Group, a multi-brand franchise operator based in Jasper, opened the LJS outlet in a converted Beefy's burger unit in South Bend, Ind. In addition to twin drive-thru lanes, the outlet has a walk-up window and the chain's newest lighting, signage and merchandising fixtures.

The unit, which has no interior seating, offers 80 percent of the fish-and-chips chain's standard menu items and employs about 30 people to cover all shifts. Buehler-Ruckriegel executives said first-week sales exceeded expectations.

While the Lexington, Ky.-based franchisor intends to eventually open a similar unit, the concept is not expected to be a major growth vehicle, according to Bruce Cotton, LJS's senior vice president of public affairs.

In addition to 89 LJS units, the Jasper franchisee operates branches of the Wendy's, Denny's, Jerry's Family Restaurants, Rally's, and Grady's chains.

Scott's Perfect in U.K. acquires Gino's Dial a Pizza

LONDON — Perfect Pizza Ltd., a 142-unit subsidiary of Toronto-based Scott's Hospitality Inc., has acquired Gino's Dial A Pizza, an 82-unit pizza chain in the United Kingdom.

The acquisition, for an undisclosed price, will enable London-based Perfect Pizza to penetrate northern England, where a majority of the Gino's outlets operate.

Currently, Perfect's restaurants are located primarily in southern England.

Scott's also operates and franchises the 110-unit Manchu Wok chain in the U.S., and is the master franchisee in Canada for Sbarro Pizza.

Mall of America debut meeted with cheers, some fears in Minn.

(Continued from page 1)

to attract 40 million visitors a year, with Japan targeted as the top international market. Some 1,200 bus tours already are booked for the remainder of 1992.

The mall is located five minutes from Minneapolis/St. Paul International Airport, where many Japanese visitors change planes en route to the East Coast. Exit signs for Mall of America on the expressway ensure that visitors who are driving can't miss it.

But amid all of the publicity about the mammoth opening, many Twin Cities and suburban restaurant operators wonder whether the mall will take business away from them. Operators in nearby Minneapolis and St. Paul are banding together with downtown retailers to jointly promote their urban centers as attractive alternatives to the mall scene.

Wayne Kostroski, president of the Minnesota Restaurant Association and partner in Goodfellows and Tejas restaurants in downtown Minneapolis, said: "I want the mall to succeed, both as a taxpayer and a local citizen. But we want people to see how different the two areas are. I am not sure a mall will become a regular usage place."

Other local operators agree. One 40-year operator, Harriet Long of Gregory's, said, "Many of us feel it [the mall] can't succeed.

"It's a monstrously large place. I can't see why anyone would come from a five-state area or Chicago. Some of the establishments are priced way beyond our area," she concluded.

Nearby hotel owners who may benefit initially from mall visitors are not pleased about Phase II plans that include the construction of an on-site hotel, which may add as many as 1,000 rooms to the area. No hotel tenant has yet been signed, but developers expect construction to start in 1994.

Operators in the mall, however, are confident that it is the place to be. They range from fast feeders who traditionally locate in malls to white-tablecloth operators who run freestanding destination restaurants in other markets.

All of the full-service restaurants are new to the Minneapolis market. They are Alamo Grill; Albert's Family Restaurant; Blackhawk Steakhouse; Boogies Diner; California Cafe; Fat Tuesday; Fog City Diner; Hooters; Ruby Tuesday's; Tony Roma's; Tucci Benucch; five outlets operated by Knott's Berry Farm and seven nightclubs managed by Dallas-based Harborage Inc., including Gatlin Brothers Music City/Grille.

MALL OF AMERICA

Three of the four anchor stores — Macy's, Bloomingdale's, Nordstrom — also offer foodservice. Macy's includes a Wolfgang Puck's California Pizza outlet, Dolcetto Espresso Bar, The California Grill, the California Fresh Juice and Yogurt Bar, and the Market Place Deli.

Nordstrom operates Cafe Nordstrom and an espresso bar, while Bloomingdale's offering consists of Eat Healthy, a juice, yogurt and muffin bar.

Alamo Grill and Gatlin Brothers Music City/Grille are making their debuts at Mall of America. Alamo Grill, owned by Jon Taffer and William Beard, is a Western-themed family restaurant-steak house that they hope to expand. "Our steak approach is similar to Outback," Taffer said.

Decor combines elements of San Antonio missions with Western murals and artifacts in three rooms. "We'll be a family restaurant by day and an adult restaurant by night," Taffer predicted.

The Gatlin Brothers of Nashville fame are partners in their first restaurant-show lounge, at which they will perform occasionally. The 900-seat state-of-the-art club will feature national country acts, including Ronnie Milsap and Marie Osmond in August as well as local and regional bands.

The restaurant — decorated with gold records and other memorabilia from the Gatlin Brothers' private collections — features the family's barbecue sauce, steaks, smoked meats and "down-home cooking," according to Leon Carroll, president of Harborage. The "take me home" section includes meat loaf with gravy, catfish fillets, Sunday pot roast and fried chicken, all priced at $7.95.

The musical brothers, Steve, Larry and Rudy, plan to be involved in the business, as time permits. "You don't put your name on something and let others run it," Larry Gatlin said.

"We are very excited with the mall," said Carroll, whose company manages similar entertainment complexes in other cities and is handling day-to-day operations. "It's like opening a Disney World."

Other restaurant operators also anticipate becoming destinations for people who come to the mall for dining and entertainment more than for shopping, especially at night. "We are a destination restaurant as well as catering to shoppers," said John Burns, vice president of operations for California Cafe.

The 12-unit company's first venture outside of California, the 256-seat white-tablecloth restaurant features an eclectic seasonal menu emphasizing appetizers, salads, pastas, wood-fired pizzas and light entrées. Some local favorites will be added to the California-oriented menu, including wild rice soup, walleye and a branded locally made ice cream.

The cafe will have a skydeck overlooking Knott's Camp Snoopy. "We will have the only skydeck," said Burns, who anticipates it will become a popular meeting place.

Atmosphere at the other full-service restaurants varies from the upbeat casualness of Fat Tuesday's and Hooters to the more refined style of Blackhawk Steakhouse. Two fast-food courts seat 1,000 each.

The mall's collective advertising and marketing ability outweighs that of the metropolitan area's many smaller malls and other retail districts. But downtown restaurants and retailers are joining forces in hopes of holding onto their share of the market.

The Downtown Marketing Committee of Minneapolis has launched a "Do the Town" campaign that rewards customers who spend $20 or more in participating stores or restaurants with free parking after 4 p.m. Billboard and radio advertising is supporting the campaign. The committee counts some 275 restaurants of all types in the downtown area.

Between Thanksgiving and Christmas, the committee will sponsor a series of Disney-style electric light parades centered around fairy tale characters. Downtown buildings will decorate with lights as part of the "Holidazzle" promotion.

The St. Paul Downtown Council's approach is to entice mall visitors, especially those from out-of-town, to experience St. Paul's cultural events, museums, stores and restaurants, including a new Minnesota History Center scheduled to open this fall. The council even operates a store in the mall that promotes St. Paul and sells concert, theater and museum tickets.

Mall of America

Size: 78 acres; 4.2 million square feet.
Retail area: More than 2.6 million square feet.
Stores at opening: 250.
Restaurants: 57.
Parking spaces: 13,000.
Movie theaters: 14.
Bathrooms: 54.
Employees: 10,000.
Projected annual visitors: 40 million.

> "I want the mall to succeed, both as a taxpayer and a local citizen."
> — Kostroski

The Triple Five Corp., headed by Nader Ghermezian and his family, reportedly is trying to interest officials in other cities, such as Toronto and Buffalo, in similar megamalls. Undoubtedly, many are watching to see if there could be a Mall of America in their future.

CORRECTIONS

Owing to a production error, the two identification keys to the chart "Top 100 sales growth by market segment," Aug. 3, page 4, were miscoded. The chart is reprinted correctly at right. Readers are advised to annotate the chart in their copies of the Aug. 3 issue.

In the same issue, No. 99-ranked Daka Inc., a contract foodservice chain, was misidentified regarding its concept type in "Top 100 chains ranked by U.S. systemwide sales," page 41. Although data for Daka appear in that table and five others that rank the Top 100 by sales, units and growth rates, the same data were not expressed in the contract segment rankings on pages 106 and 109.

"Pizza chains chart ambitious growth," Aug. 3, page 84, incorrectly stated the proportion of the U.S. pizza market controlled by the industry's eight largest pizza chains. Their combined U.S. systemwide sales of nearly $10.4 billion in 1992, as projected by the NRN Top 100 study, represent 31.4 percent of the estimated $33 billion pizza market.

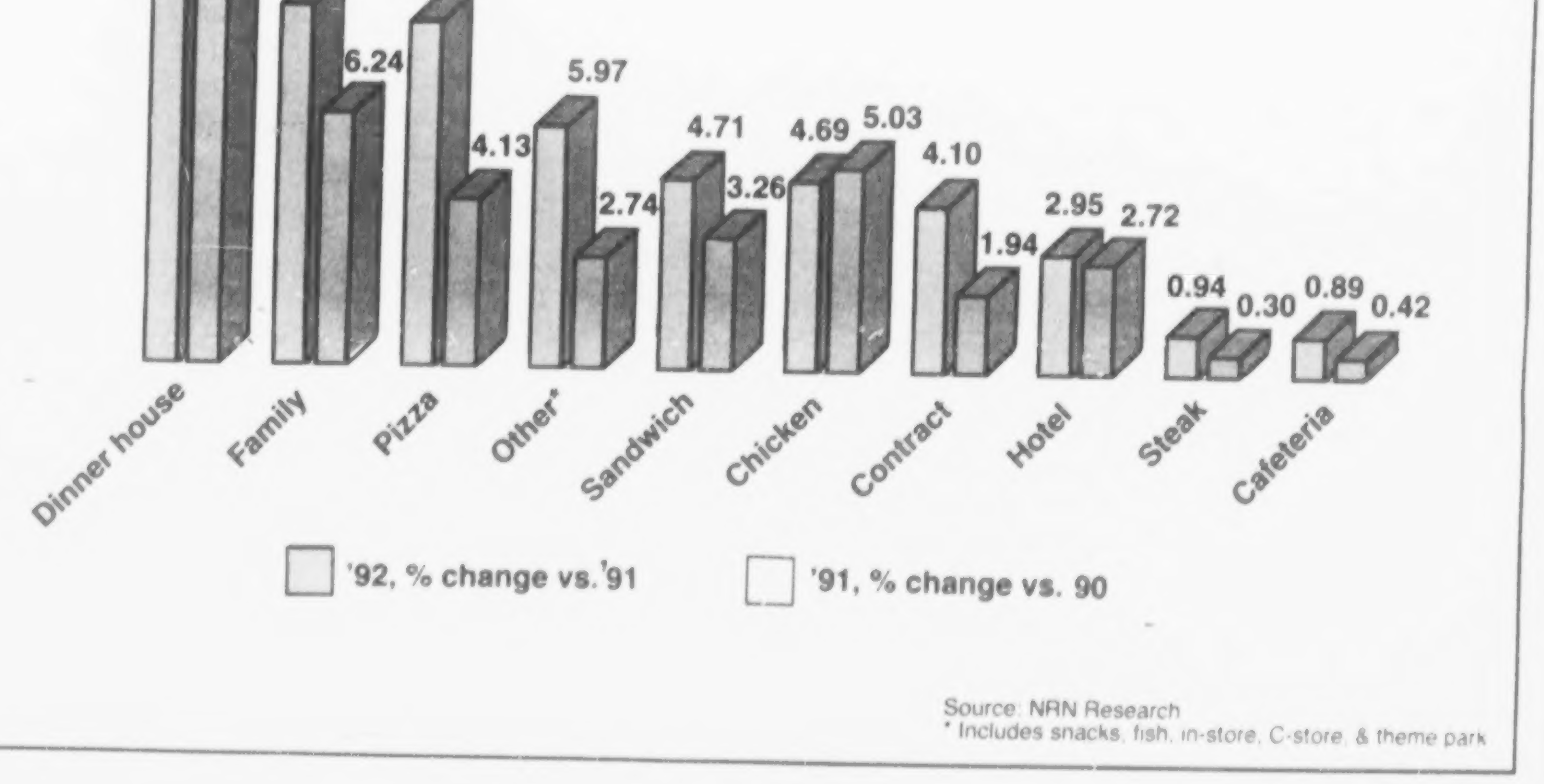
* * *

"Levy enters the big leagues with specialty concessions," Aug. 10, page 30, lacked a byline. Carolyn Walkup wrote the story.

* * *

"Consolidated names president," July 20, page 2, incorrectly switched the name of Consolidated Products' new president with that of the company's chairman, also misspelling the name of chairman E.W. Kelley. As a result of the mistakes, the background of one of the executives was misrepresented. Alan B. Gilman, who had been a consultant to Kelley, was named president of the Steak N Shake parent. His career previously had been retail-and-marketing-oriented.

Top 100 sales growth by market segment



Source: NRN Research
* Includes snacks, fish, in-store, C-store, & theme park